Meeting Agenda  
November 13, 2014 – 9:00 a.m. – Noon  

Chateau Louis, St. Michael Room  
11727 Kingsway, Edmonton

1. Call to Order  
2. Chair’s Opening Remarks  
3. Approval of Agenda  

4. Approval of Minutes of October 9, 2014  

5. Specialized Transit – Dr. Bonnie Dobbs Presentation  

6. Regional Jurisdictional Advantage Assessment – Jeremy Heigh Presentation  

   Motion: That the Capital Region Board receive the Regional Competitive Advantage Assessment - Final Report, Choose to Lead: Building on the Competitive Advantages of the Capital Region for information.


   Motion: That the Capital Region Board direct CRB administration to implement Option 3 to facilitate collaboration in moving the regional economic development initiative forward.

8. Advocacy & Monitoring Committee  
   a. Terms of Reference  

      Motion: That the Capital Region Board approve the updated Terms of Reference, as recommended by the Advocacy & Monitoring Committee.

9. Land Use & Planning Committee  
   a. Letter to Municipal Affairs re REF Amendment by deleting Section 5.4 b)(ii)  

      Motion: That the Capital Region Board direct the Board Chair to send a letter to the Minister of Alberta Municipal Affairs requesting that the Regional Evaluation Framework (Ministerial Order L:270/10) be amended by deleting Section 5.4 b) (ii) relating to the consistency of Statutory Plans and Statutory Plan Amendments with the regional population and employment forecasts in the Capital Region Growth Plan as recommended by the Land Use Committee.
10. Regional Services Committee
   
a. Sub-regional Needs Assessment Framework Report – Headwater Group Presentation  Pg. 136 of 422

   **Motion:** That the Capital Region Board receive the Sub-regional Needs Assessment Framework and Pilot Reports for information.

11. Administrative Items
   
a. CEO’s Update
   b. Interim Activity Report (April 2014-September 2014)  Pg. 401 of 422

   **Motion:** That the Capital Region Board receive the Interim Activity Report (April 2014-September 2014) for information.

12. Board Information Requests Update  Pg. 407 of 422

13. Committee/Task Force Minutes
   
a. Advocacy & Monitoring Committee – Draft Minutes, Chair Update  Pg. 412 of 422
   b. Regional Services Committee – Draft Minutes, Chair Update  Pg. 415 of 422
   c. Transit Committee – Draft Minutes  Pg. 417 of 422
   d. Housing Task Force – Draft Minutes  Pg. 420 of 422

14. Other Business *(Time Permitting)*
   
a. Warburg Motion – Planning Session to review CRB Voting Structure  Pg. 422 of 422

   **Motion:** That the Capital Region Board hold a planning session of all Board members to review the current Voting Structure (Section 5 subsections (2) and (3)), of the Capital Region Regulations and bring back recommendations to the Capital Region Board, regarding the Regulation’s functionality.

15. Adjournment
Minutes of the meeting of the Capital Region Board
held at Grand Ballroom, Chateau Louis Conference Centre
on Thursday, October 9, 2014

Delegates in Attendance:

Mayor Nolan Crouse – St. Albert/Chair
Mayor Camille Berube – Beaumont
Mayor Randy Boyd – Bon Accord
Mayor Karl Hauch – Bruderheim
Councillor Scott Wiancko – Calmar (alternate)
Mayor Stephen Lindop – Devon
Mayor Don Iveson – Edmonton
Mayor Gale Katchur – Fort Saskatchewan
Councillor Amber Harris – Gibbons
Mayor Bill Skinner – Lamont
Reeve Wayne Woldanski – Lamont County
Mayor Greg Krischke – Leduc
Councillor Tanni Doblanko – Leduc County (alternate)

Mayor Ken Baril – Legal
Mayor Lisa Holmes – Morinville
Mayor Rodney Shaigec – Parkland County
Mayor Mel Smith – Redwater
Mayor Stuart Houston – Spruce Grove
Mayor William Choy – Stony Plain
Mayor Roxanne Carr – Strathcona County
Mayor Tom Flynn – Sturgeon County
Mayor Fred Lindsay – Wabamun
Mayor Ralph van Assen – Warburg

Absent:

Mayor Barry Rasch – Thorsby
Gary Sandberg – Government of Alberta

CRB Administration:

Doug Lagore, CEO
Sharon Shuya, Project Manager
Brendan Pinches, Project Manager
Loreen Lennon, Communications Manager
Charlene Chauvette, Office Manager

Stephanie Chai, Assistant Project Manager
Brandt Denham, GIS Coordinator
Amanda Borman, Executive Assistant
Lisa Saskiw, Administrative Assistant
1. Call to Order
   Called to order 9:00 a.m.

2. Chair’s Opening Remarks
   Chair Crouse advised members that he and Mayor Carr met with consultants and administration to further review the Growth Plan and to discuss the February and May 2015 Workshops. Chair Crouse continued by asking Mayor Carr and Mr. Lagore to send members meeting notices as soon as possible. Mr. Lagore assured members that email notices regarding the specified Workshops would be distributed in the upcoming days. Chair Crouse reminded members that though there are two representatives from St. Albert on the Advocacy & Monitoring Committee, it has been resolved that Councillor Wes Brodhead, Chair of the Transit Committee has the vote during the meetings and that he (Chair Crouse) will serve as Ex-Officio and not a voting member.

3. Approval of Agenda
   Moved by Mayor Boyd.
   Motion: To approve the Agenda of October 9, 2014, as amended.
   Motion carried unanimously.

4. Approval of Minutes
   Moved by Mayor Smith.
   Motion: To approve the Minutes of September 11, 2014.
   Motion carried unanimously.

5. Strategic Plan
   Moved by Mayor Berube.
   Motion: That the Capital Region Board approve the Capital Region Board 2014 – 2018 Strategic Plan.
   Mayor Katchur moved an amendment.
   Amendment: With the change to the document to strike the line stating “GOA funding is largely operational; Municipal investments are more project-specific”.
   Amendment carried unanimously.
Amended Motion: That the Capital Region Board approve the Capital Region Board 2014 – 2018 Strategic Plan, with the change to the document to strike the line stating “GOA funding is largely operational; Municipal investments are more project-specific”.

Motion carried unanimously.

6. Governance, Priorities & Finance Committee

a. January 2014 – March 2015 Revised Budget

Moved by Mayor Berube.

Motion: That the Capital Region Board approve the January 2014 – March 2015 Revised Budget, as recommended by the Governance, Priorities & Finance Committee.

Motion carried unanimously.

b. 2015 – 2016 Proposed Budget

Mayor Berube advised members of the Notice of Motion for the December 11, 2014 Board Meeting.

Notice of Motion: That the Capital Region Board approve the April 2015 – March 2016 Proposed Budget at the $600,000 membership support level, as recommended by the Governance, Priorities & Finance Committee.

Information Request: What will the extra money ($600K from members) projected in the 2015 budget be used for?

Information Request: Can the provincial government requisition funds based on the decisions of the Capital Region Board?

c. 2015 – 2018 Work Plan

Moved by Mayor Berube.

Motion: That the Capital Region Board receive the 2015 – 2018 Work Plan for information, as recommended by the Governance, Priorities & Finance Committee.

Motion carried unanimously.

d. Policy Revisions

Moved by Mayor Berube.

Motion: That the Capital Region Board approve the updated Corporate Policies identified in Attachment 1, as recommended by the Governance, Priorities & Finance Committee.
Motion carried unanimously.

7. Transit Committee

a. Transit Committee – Terms of Reference

Moved by Mayor Katchur.

**Motion:** That the Transit Committee recommends its Terms of Reference be approved by the Board.

Mayor Boyd moved an amendment.

**Amendment:** That the Terms of Reference be amended to change the membership of the Committee to include a representative for the Town of Morinville.

8 in favour, 16 opposed. Not supported by 17 or more municipalities comprising more than 75 percent of the population. **Amendment failed.**

Mayor Iveson moved an amendment.

**Amendment:** That the Transit Committee membership be amended to include “and one Community that is aspiring to provide Transit Services”.

**Motion withdrawn by** Mayor Iveson, with consent of the Capital Region Board members.

**Motion:** That the Transit Committee recommends its Terms of Reference be approved by the Board.

23 in favour, 1 opposed. Supported by 17 or more municipalities comprising more than 75 percent of the population. **Motion carried.**

Following the completion of the vote on item 7a, Mayor Krischke put forward a new motion to the members relating to the Transit Committee Terms of Reference. Chair Crouse requested the Board move forward with the agenda so that administration may prepare the motion for review and vote.

8. Administrative Items

a. CEO’s Update

Mr. Lagore announced to members that a Regional Symposium will be held June 3 and June 4, 2015 at the Chateau Lacombe with a Transportation theme. Registration and additional information will be available in the coming weeks.
b. Quarterly Financial Statement

Moved by Mayor Berube.

**Motion:** That the Capital Region Board receive the Quarterly Financial Statement as information.

**Motion carried unanimously.**


d. North Saskatchewan Regional Plan – RAC Update

Mr. Lagore advised members that there will be a workshop hosted by the Land Use Secretariat on November 6, 2014 at the Edmonton Petroleum Club.

Moved by Mayor Flynn.

**Motion:** That the Capital Region Board receive the North Saskatchewan Regional Plan – Regional Advisory Council Update for information.

**Motion carried unanimously.**

9. Economic Development Terms of Reference

Mr. Lagore recommends that the Board review the report being brought to the November 13, 2014 Board meeting on the Economic Development Summit before discussing the Terms of Reference once again. No concerns expressed by members.

10. Board Information Requests Update

**Information Request:** This request serves as clarification for IR.2014.10. How was the Energy Corridors Final Report communicated to Alberta Transportation and how was it accepted?

**Information Request:** What additional provincial departments should the Energy Corridors Final Report be communicated to?

**Information Request:** For Priority Growth Areas and Cluster Country Residential Areas, what densities are actually being achieved on growth approved and growth built out since the Regional Growth Plan took statutory effect?

**Transit Committee Continuation**

Moved by Mayor Krischke.

**Motion:** That the Transit Committee review the current decision making structure and membership and bring back recommendations to the Board at an unspecified date.
Motion carried unanimously.

11. Committee/Task Force Minutes
   a. Governance, Priorities & Finance Committee – draft minutes provided
   b. Transit Committee – draft minutes provided
   c. Growth Plan Update Task Force – draft minutes provided

12. Membership Review (Time Permitting)

   Moved by Mayor Krischke.

   Motion: That the Capital Region Board receive the Membership Review report for information.

   Motion carried unanimously.

13. Adjournment

   The Chair declared the meeting adjourned at 11:18 a.m.

CRB Chair, Nolan Crouse
CRB CEO, Doug Lagore
SENIORS’ TRANSPORTATION MOBILITY

Driving

- Both Sexes
- Men
- Women

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<td>65-74</td>
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<td>70</td>
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<tr>
<td>90+</td>
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- % individuals holding a valid driver’s license (Turcotte, 2012)

Public Transportation

- Men
- Women
- Both Sexes

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<tr>
<td>45-54</td>
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<td>85+</td>
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- % 45+ using public transit as main form of transportation (Turcotte, 2012)
HEALTH AND SAFETY OF SENIORS

- 89% - 1 chronic illness, 37% - 4 or more
- 66% - 5 or more medications, 27% - 10 or more
- 10% of seniors ‘unable to see’ and 27% ‘very forgetful or couldn’t remember anything at all’ drove in previous month

UNMET TRANSPORTATION NEEDS

- Seniors
- Persons with Disabilities
- Traditional public transportation not a solution
CRB MANDATE/GUIDING PRINCIPLES

• The “provision for special transit for persons with disabilities” (Capital Region Board, 2011, p. 15)

• Assist in meeting the mobility needs of seniors

• Improve regional delivery of specialized intermunicipal transit services
TARGET POPULATION

• Seniors/Adult Children (n = 360)
  • ≥ 45 years of age
  • Gender (50/50)
  • Driving status (≥ 20% non-drivers)

• Persons With Disabilities (n = 40)
  • ≥ 18 years of age
  • Sample derived from community-based service providers

TIME LINES

• Needs Assessment – 1st Quarter 2015

• Draft Final Report – April 2015
NEEDS ASSESSMENT RESULTS

• Facilitate relevant transportation planning

• Avoid implementation of costly non-relevant transportation

• Optimize the mobility of seniors and persons with disabilities in the Capital Region

Dr. Bonnie M. Dobbs (PhD)
Phone: 780-492-0374
Email: bdobbs@ualberta.ca
Regional Competitive Advantage Assessment - Final Report

Motion:
That the Capital Region Board receive the Regional Competitive Advantage Assessment - Final Report, Choose to Lead: Building on the Competitive Advantages of the Capital Region for information.

Background

- The Capital Region Board is undertaking the first 5 year review of the Growth Plan - Growing Forward to be completed by December 2015.
- The Project Charter approved by the Board, identifies the need to better understand the Region’s unique position in a globally competitive economy by providing clear evidence about the Region’s economic position.
- A comprehensive research and analysis project was completed by Sift Every Thing, an Economic Analysis and Market Intelligence Company.
- The project was to identify and compare the Capital Region’s strengths, challenges, and opportunities with the experience and lessons learned in jurisdictions of similar size around the world.
- In addition to informing the work of updating the Growth Plan, this report may also serve as a key resource for any future work the Board may pursue in the area of Regional Economic Development.
Choose to Lead: Building on the Competitive Advantages of the Capital Region

November 2014
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WITHOUT WHICH NOT

The phrase *sine qua non* is used to describe an essential element or condition. It’s a Latin legal term meaning “without which it could not be,” or “but for,” or “without which there is nothing.”

This report focuses on describing that condition for this region. In what ways are we essential, to each other, and in the world? What is our best fit? How do we do that well?

In this report it might look like the evidence defends the status quo. We don’t see it that way. The evidence presented here describes a great distance between the region’s position today and its future potential.

Arguing for a focus on energy and its value chain isn’t about building a case for more of the same. It’s an argument for leveraging and stacking on this critical area of strength.

Oil and gas is the dominant driver of this economy. That doesn’t mean it’s free of risk, perfectly stable, or offers a clear path forward. It’s a complex industry, prices are volatile, and energy’s role in the world is evolving rapidly.

Betting on energy is no sure thing. But is our best option and instead of running from its shadows, we can become capable in the vulnerabilities and idiosyncrasies that our dependence on energy creates. This is resilience.

Energy is the region’s strongest engine. It creates a diversity of opportunities and integrates a broad ecosystem of companies. Energy drove our current success in manufacturing, chemicals, distribution, logistics, and finance. We need to do it again.

Delivering on the region’s potential must include and be tailored to advancing the region’s position on clean technologies (for oil and gas production); advanced sensors and instrumentation (for oil and gas production in harsh environments); data-mining, artificial intelligence, and machine learning for resource optimization; advanced materials and chemicals; logistics and distribution of modular systems; and remote sensing and high-resolution systems management.
Energy is the region’s knowledge economy and manufacturing is where it’s happening. Manufacturing holds all of the region’s patent activities; it’s the strongest pool of high-tech jobs; and it’s the only area where terms of trade are improving.

Manufacturing is the backbone of energy and it’s in jeopardy. Capital investments are declining and the sector was gutted by the 2008 downturn.

Among manufacturers, it’s mid-size companies that matter most. They are nimble enough to take risk but strong enough to supply big companies. Yet they don’t get enough attention from governments and aren’t well understood by municipalities. These companies will struggle if oil prices stay low, particularly if infrastructure gaps continue to make business difficult.

Infrastructure defines the destiny of this region. What’s in place today can’t sustain our future. But we haven’t got enough mobility in the region’s debt position to bridge the gap. The region needs a deliberate and aggressive strategy to tackle this barrier.

We don’t see evidence that supports an incremental path forward for the region. Its current path is rapidly eroding under the weight of input costs, labour constraints, infrastructure gaps, distribution bottlenecks, and an overstretched supply chain.

Success will require hard decisions, endurance, and a long-term view. It means sacrificing to make investments that reinforce conventional energy production. Bridging that gap will be exhausting and it will take discipline to push further into the phase-change investments needed to transform the economy. We can’t stay where we’re at.

We need to move because we’re already being out-competed by other places. While we’re busy thinking about diversifying our economy, other places are getting really good at what we should be great at. Based on the numbers, it’s clear that the region isn’t making the kind of progress created by the investments that other jurisdictions pursue.

Without deliberate, intentional leadership, none of this can happen. Until a mechanism exists that shares value throughout the region, leadership will not emerge. It cannot come from outside. Leadership must come from here.

That’s a summary of the main results of our work. The rest of this document digs deliberately into these areas.
1. EMBRACE BRILLIANCE: UNDERSTAND AND ACCEPT DIFFERENT SECTORAL STRENGTHS

In the mid-term report, we spoke about the relationship between brilliance and shadow. For each great strength, there is often a dark consequence.

Everything in our education, careers, and social environment is geared to highlight gaps. We are graded on what we miss. Our performance is scored on what we fail to achieve. Friends pick at every outlier. Even in this work, the strongest reaction we’ve seen is to the downside or negative results. We get busy dealing with our challenges and forget to embrace our brilliance.

For this work to create value, it has to focus on the region’s best and most unique characteristics. Competitive advantage is made of the things we’re great at. It’s not built by copying others or chasing things we aren’t fit for. Here we’ve focused on the Capital Region’s greatest strengths, the barriers that keep it short of its potential, and the ways its brilliance is relevant to the world.

That’s not to say it’s all sunshine and roses ahead. Embracing brilliance comes with a dark side: risk and challenge. We’ll see, in the discussion that follows, that infrastructure is both an asset and a liability. Infrastructure brings this region its strongest opportunities but it also demands investment that hasn’t been sustained. With energy at the core, there is going to be volatility, as we’re seeing right now. And above all, it must be clear that the region’s position in energy won’t last forever. If we bet on energy it must be with the intention of leveraging into related areas.

There’s no path forward that doesn’t have consequences. Our future demands hard decisions. The choice is whether we build on our core strengths and launch into the future that creates or abandon the field for other, less established positions. We’re focused here on presenting options that stack on the competitive advantages of the region.
What are we made of?

To understand the region’s competitive advantages, we mainly worked in three ways. First, to ensure we understood the perspective of municipalities we interviewed all 24 mayors. To better understand the needs of companies, we interviewed, one-on-one 83 executives leading companies located across the region and operating across the economy. Second, to test what we heard, we ran a set of 42 quantitative, economic indicators built to assess jurisdictional advantage, systemic competitiveness and industrial ecosystems. Finally, we used the character of the region, revealed in the interviews and analysis, to look for other places around the world with lessons to offer.

Based on all that work, it’s clear that the region’s strongest advantages build on the pure volume of its ability to pull in inputs and push out products. As one executive said, the Capital Region is “fundamentally a confluence of feedstocks and distribution channels.”

Last year, the province produced 120 million cubic metres of crude bitumen, 34 million cubic metres of crude oil, 100 billion cubic metres of natural gas, and 29 million tonnes of coal.1 Agriculture produced 35 million tonnes of product,2 and the province harvested more than 20 million cubic metres of timber.3

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The region can pipe in two million barrels of bitumen, refine 430,000, and upgrade 255,000 every day. It’s a hub for hydrocarbon processing and refining. It’s become world class in distribution and logistics. The throughput capacity of Capital Region pipelines exceeds three million barrels a day.

The region’s future and its present opportunities today are anchored on these resource arteries that pulse into and out of the region. These arteries form the baseline of the economy. They support the range of manufacturers operating in the region: instrument and sensor producers, metal fabrication shops, and machinery manufacturers. Pulled in and sustained by manufacturing and service companies, the financial sector thrives too.

**Diversity with energy at the core**

Oil and gas is a dominant force, and it creates diverse opportunities.

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7 Sift Every Thing executive interviews. 2014.
8 www.plainsmidstream.com/sites/default/files/files/PlainsMidstream_CorporateProfile.pdf,
www.wikinvest.com/stock/Plains_All_American_Pipeline,_L.P.%20(PAA)/Canada,
www.interpipeline.com/operations/oil-sands-transportation.cfm,
www.gibsons.com/Business-Need/Business-Segment/Terminals-and-Pipelines.aspx,
www.transcanada.com/investor/annual_reports/2012/pdf/TCC_2012_MDA_OilPipe.pdf, and
9 Sift Every Thing executive interviews. 2014.
The dominance of energy

Indicators that signal a sector’s driver status are productivity, growing share of employment, relative earnings, share of output that is exported, centrality in the industrial ecosystem, and measures of employment specialization.

Productivity in oil and gas, which composes most of primary production in the region, was $210,000 of gross domestic product (GDP) per employee in 2013.\textsuperscript{12,13} Five-year growth was 16 per cent (see Exhibit 1). Key elements of energy’s supply chain, manufacturing and transportation/warehousing show the high productivity too ($110,000 in manufacturing and $96,000 in transportation).

The major employers in the region are construction, trade, finance, professional services, and manufacturing. The top corporations in the region include nine finance companies, six manufacturers, three energy service companies, and one in transportation—all focused on energy and its ecosystem.\textsuperscript{14}

Employment grew faster in energy than in any other major sector.\textsuperscript{15} From 2011 to 2012 it grew by 46 per cent.\textsuperscript{16}

\textsuperscript{12} Personal communication. John Rose, Chief Economist for the City of Edmonton. Table 383-0029 - Labour productivity and related variables by business sector industry, consistent with the North American Industry Classification System (NAICS) and the System of National Accounts (SNA), provinces and territories, annual (accessed: October 19, 2014)

\textsuperscript{13} While they are higher, finance ($310,000) and utilities ($240,000) aren’t regional economic drivers. Exports from these sectors are minimal, they aren’t central to the industrial ecosystem, and there isn’t a lot of regional specialization within their character.

\textsuperscript{14} www.albertaventure.com/venture-250/?myyear=2012&rev_max&rev_min&growth_min&rank_min&rank_max&employees_min&employees_max&industry&sort=city. Note that three construction companies, two utilities companies, two public administration companies, and one professional services company in the top 250 Alberta companies are in the region too.

\textsuperscript{15} Again, growth in utilities (60\%) and agriculture (51\%) was higher, but neither is a driving sector for the region.
Exhibit 1: Five-year growth in productivity, employment and wages in the Capital Region

5-Year Productivity Growth
-1%

5-Year Employment Growth
11%

5-Year Wage Growth
26%

Sources: City of Edmonton and Statistics Canada
The regional wage leader\(^{17}\) was mining and oil and gas extraction ($88,000 per year),\(^{18}\) but utilities ($85,000) and construction ($63,000) were well above the average wage of $56,000. Other leaders include manufacturing, wholesale trade, ICT, finance and insurance, professional and technical services, management of companies, and public administration.\(^{19}\)

Of total exports in 2013 ($100 billion), the majority was crude petroleum (62%), gas and gas liquids (9.6%), and petrochemicals (7.3%).\(^{20}\)

For the other two indicators, centrality in the industrial ecosystem and employment specialization, we’ve relied on the perspective of executives. They say energy is the core of this region’s industrial supply chains and one of the strongest assets this region enjoys is the skilled labour pool available to energy.

**Energy creates diversity**

While energy is the driver, it’s not the biggest sector. Gross domestic product for primary production in the region (mostly oil and gas and mining) was $5.4 million in 2012.\(^{21}\) Manufacturing, trade, finance, professional and technical services are all bigger


\(^{17}\) The sector with the highest weighted average wage across all sectors across all the municipalities of the CRB.

\(^{18}\) Statistics Canada Labour Force and Income by NAICS Custom Data. Data obtained from Natural Resources Canada.

\(^{19}\) The strongest wage growth is in mining and oil and gas extraction, up 71% from 2001 to 2011. Energy’s lead is closely followed by utilities (65%), manufacturing (65%), and construction (65%).


than energy (see Exhibit 2) but they are pulled forward and pushed by it. Construction is one of the biggest and while it’s not directly driven by energy (signified by the dashed line), executives tell us it’s implicitly connected.

The region’s labour force of 680,000 people focused on retail trade (11%), health care and social assistance (11%), and construction (10%)^24. The greatest employment growth is in construction (67%), mining and oil and gas extraction (65%), and public administration (65%).

It’s important to know that energy’s growth creates risks too. Mining and oil and gas extraction and construction are among the most volatile sectors. Its employment numbers rise and fall dramatically.

This volatility tends to concerns decision-makers and it’s the reason people want to chase other, more independent sectors. That’s a reflex reaction that ignores important realities. First, some of the most stable sectors, like transportation and warehousing, are explicitly dependent on oil and gas. Second, and far more importantly, the region has successful manufacturing, construction, finance, transportation and warehousing sectors because they were rooted in energy.

Energy has spawned a diverse ecosystem of opportunities that these sectors used to flourish. Today they branch out into other industries and other parts of the world. For example, the executives of regionally-based logistics companies told us that they’ve been bought, by international competitors, because their capacity is globally relevant and for sectors beyond energy.

Energy drives diversity at both the regional and municipal scale. Every municipality has a different combination of sectorial strengths with varying level of stability. For example, places like Bon Accord have high concentrations of public administration (28%), construction (19%), and health care and social assistance (11%)^26. Others, like Lamont County, are heavily concentrated

[^24]: Manufacturing was one of the top five sectors in 2001 and 2006. It fell to seventh place in 2011. We’ll talk more about this in just a bit.
[^26]: A specific sector can be a source of volatility in one place and the most stable of all in another place. In Devon, two of the most volatile sectors are mining and oil and gas extraction and retail trade. In Lamont, they’re the most volatile.
Exhibit 2: Energy is the core: breakout of regional economy, GDP in millions of dollars

- O&G (primary, except agriculture): $5.4M
- Finance: $6.4M
- Professional services: $6.1M
- Transportation & warehousing: $3.3M
- Manufacturing: $5.9M
- Construction: $9.2M
on agriculture (25%). When we look at each municipality, one by one, and ask if there’s a clear relationship between the structure of its economy and the energy sector, it’s easy to see how the sectors that matter most are either implicitly or explicitly related to oil and gas.

The reality is that energy is this region’s strongest engine. No independent sector (like agriculture) comes close. Basically, we have one horse to ride, and even though there are things wrong with it, it’s our only real option. Today’s municipalities are each a unique expression of an energy economy’s strengths and its vulnerabilities. The opportunities of the future will stack on those strengths by resolving the risks (risks that all other similar places struggle to address and it’s their needs that be our future markets).

Instead of running from the shadows of our brilliance, we can become capable in the vulnerabilities and idiosyncrasies that energy dependence creates. This is resilience.

**A drive to innovate**

Energy drives the economy, and it drives innovation.

Most of the patenting activities in the region are in computer and electronics manufacturing (24% of all patents in the region), highlighting the emerging sophistication of sensors and instrumentation for oil and gas. Machinery manufacturing (also 24%), chemical manufacturing (22%), and fabricated metal product manufacturing (9%) are busy too.

Edmonton is where most of the inventors work. But Beaumont has more patents per person than any other municipality. Beaumont (6 patents per 10,000 citizens) and Spruce Grove (2 per 10,000 citizens) are regional leaders even though they’re both relatively small places.  

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Manufacturing misunderstood

Manufacturing is where most of the patenting occurs, but of all sectors, it appears to be the least understood. Mayors talked about energy robbing the province of its best chance at a knowledge economy. Energy is the region’s knowledge economy, and manufacturing is where it’s happening.

Medical devices and aerospace aren’t the only industries with high-tech innovations. We visited several highly robotized manufacturers, embedded in the energy sector, running 3-D printers and CNC machines all right here in the Capital Region.

There’s a difference between high-tech products and high-tech processes, we agree. These are high-tech products, bulging with sensors and wireless communication technology.

Break up regional manufacturing into three categories (low-tech, mid-tech, and high-tech), and roughly 40 per cent of manufacturing in the region is high-tech (sophisticated technologies like in the anecdotal example above).

The highest concentration of high-tech jobs in the region, relative to the municipality’s labour force, is in Calmar (6%) followed closely by Leduc, Fort Saskatchewan, and Beaumont.

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29 Sift Every Thing executive interviews. 2014.
30 Estimates by Sift Every Thing, based on previous work and lots of executive interviews.
31 We’ve listed the following NAICS manufacturing sectors as low-tech: 3112, 3113, 3114, 3115, 3116, 3117, 3118, 3119, 3121, 3122, 3131, 3132, 3133, 3141, 3149, 3151, 3152, 3159, 3162, 3169, 3212, 3221, 3222, 3231, 3271, 3274, 3279, 3291, 3311, and 3399. Mid-tech is 3111, 3161, 3211, 3219, 3241, 3253, 3256, 3259, 3261, 3262, 3272, 3273, 3311, 3315, 3322, 3325, 3326, 3334, 3369, 3371, 3372, and 3379. Hi-tech includes the following: 3251, 3252, 3254, 3255, 3312, 3313, 3314, 3323, 3324, 3327, 3328, 3329, 3331, 3332, 3333, 3335, 3336, 3339, 3341, 3342, 3343, 3344, 3345, 3346, 3351, 3352, 3353, 3359, 3361, 3362, 3363, 3364, 3365, 3366, and 3391.
32 Qualitative estimates by Sift Every Thing. 2014. Based on previous projects and 827 one-on-one interviews with corporate executives.
33 Estimates based on interviews and analysis by Sift Every Thing. 2010–2014.
About 40 per cent of all the high-tech manufacturing jobs in Alberta are right here in the Capital Region.\(^{34,35}\)

This isn’t something we talk about much in economic development. But we should. Manufacturing is the backbone of our energy economy, and it’s in jeopardy.

We already reported, in our mid-term review, that energy’s industrial ecosystem is strained. Manufacturers and service providers struggle to keep up with energy’s rapid growth. Labour and productivity are pulled out of the rest of the economy to meet demand.

Alberta has enjoyed extremely favourable terms of trade\(^ {36}\) in energy products (see Exhibit 3).\(^ {37}\) That was almost completely eroded from 1990 to 2000. Today terms of trade are for energy are creeping back up but it’s a mere shadow of what it once was. Everything else, except industrial machinery, and motor vehicles is in decline.\(^ {38}\)

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\(^{34}\) Historically, high-tech jobs have paid more ($45,000/yr versus $39,000/yr for mid-tech roles in 2001). In 2011, the mid-tech and high-tech roles came out even at $70,000 per year.

\(^{35}\) Using a different methodology, BC Stats estimated that total GDP in Alberta from high-tech was $14 billion in 2012. It thinks 94% of this is from the service sector. High-tech services include engineering, computer services, motion picture and video production, surveying and mapping, scientific and technical consulting, telecommunications, and research and development. So it’s estimating that $840 million came from manufacturing. That means it thinks that less than 5% of manufacturing in the province is high-tech. It does differentiate between high-tech jobs (which is what we’re talking about) and high-tech products (which is what BC Stats is measuring). Source: BC Stats. 2013. Profile of the British Columbia High Technology Sector. Victoria, British Columbia. www.mining.com/wp-content/uploads/2014/04/Profile-of-the-British-Columbia-High-Technology-Sector-2013-Edition.pdf.

\(^{36}\) Weighing exports against imports can be a good indicator of emerging and driver industries. This is called terms of trade. High exports, relative to imports, signal growing competitive advantage.


\(^{38}\) This also underlines the unrecognized strength and global relevance of Alberta’s machinery and transportation sectors, which are centralized in the Capital Region.
Exhibit 3: Terms of trade, export to import ratios at varying time scales

Source: Statistics Canada
We’re being outcompeted by other places like Scotland\(^\text{39}\) and Norway. These places are deliberately targeting our energy sector, naming Alberta in their economic development strategies because they, like us, have relevant strengths. While we’re busy thinking about diversifying our economy, these other places are getting really good at what we should be great at.

**Focus on mid-size firms**

Small-size firms get a lot of attention. There are a lot of them. About 98 per cent of firms in the Capital Region have less than 100 employees.\(^\text{40}\) But in the energy sector, they aren’t the most important. Mid-size firms (between 100 and 500 employees) are critical for the health of this economy. They are the nimble risk takers. They’re responsive to change but big enough to carry the weight of large operators.

Large companies need a healthy population of mid-size companies. Major corporations depend on mid-size companies for services and innovation. They are acquisition targets; an essential ingredient for big companies that are evolving market needs. Yet they don’t get enough attention from governments, they’re not well understood by municipalities, and mid-size manufacturers are in trouble.

Many programs target start-ups, and major corporations get lots of political attention, but mid-size firms are isolated. This is especially concerning in manufacturing. The Business Development Bank of Canada reported, in 2010,\(^\text{41}\) that half of Canada’s mid-size manufacturing firms disappeared from 2001 to 2010 (falling from 2,800 to 1,400).\(^\text{42}\)

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This is critical for the region. Other places, like Britain, see similar issues too. They’ve responded with a strategy to professionalize the “Mittelstand”. Large companies joined with the government to support their mid-size suppliers. Big companies want to move from ad hoc interventions to a more systemic process. Executives here (and in other places where we’ve worked, like Saskatchewan) see a similar and unmet need. Manufacturing is one of the top three sectors for mid-size companies in the region. Executives say they’re the bottleneck in this region’s industrial ecosystem.

Systemic competitiveness

Infrastructure concerns companies

Companies are concerned about the future. They aggressively invested in assets (buildings, engineering, machinery, equipment and intellectual property) up to 2008 but then retreated. In 2010, they came back in again (running up 23%), but their investments have trailed off in the last few years, only growing by 11 per cent in 2011, four per cent in 2012, and then declining by 0.6 per cent in 2013 (see Exhibit 4). There had been growing interest, this last year, in a return to higher levels of growth but the current market environment makes that seem tenuous now.

Investment in intellectual property products is eroding. It declined by 7.4 per cent from 2001 to 2013. Most of it is a decline in oil, gas, and mining exploration (down 52% from $5.9 billion in 2001 down to $2.8 billion in 2013). It fell by 4.9 per cent last year and 3.7 per cent the year before. This is concerning. The sharp edge of the economy and the energy sector is being blunted.

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44 Sift Every Thing executive interviews. 2014.
Exhibit 4: Capital expenditures for key sectors in Alberta, 2008 to 2013

Source: Statistics Canada
Gross fixed capital formation continues to grow among the region’s businesses, but it’s beginning to falter.

Energy companies continue to invest but even their pace is trailing off. Their investment in capital grew by 55 per cent between 2009 and 2010, in 2011 it grew by 27 per cent, the 16 per cent in 2012, to just 1.9 per cent in 2013.

Metal fabricators have seen volatile investment the last few years. Capital expenditures were down 52 per cent from 2011 to 2012. In 2013 they were up 94 per cent. On the other hand, machinery manufacturers are headed down by 4.5 per cent. Transportation equipment manufacturers have reduced their investment by 72 per cent. Overall, manufacturing increased its capital investments by just 6.7 per cent from 2001 to 2013. In oil and gas it was 170 per cent.

Why paint this picture here, in a section about systemic competitiveness and infrastructure? Why not do this earlier while discussing the industrial ecosystem? Because this is an infrastructure problem first and an ecosystem issue second.

Executives tell us that they’re sourcing more than they ever have from supply chains outside the region. It’s been an upward trend for years, driven by a wide range of reasons. It boils down to an expensive local supply chain and vigilant competitors worldwide.48 Embedded in the cost of local suppliers are all the labour costs, infrastructure gaps (roads, rails, bridges, water and waste management, and pipelines), duplicative and delayed regulatory approvals, and aged bylaws of the Capital Region. This is a signal of the real and tangible consequences of ignoring those issues.49

Executives regularly talk about these issues. Now they’re communicating that concern by reducing their investment. They’re pulling out of local supply chains, and they are reducing their investments in the future.

48 Again, while we’ve been trying to think of other sectors to pursue, the rest of the world has been hunting in our backyard.
49 We’re not saying that municipalities are responsible for the inefficiencies and lack of competitiveness within the operations of supply chain providers. We’re saying that governments have a stewardship role within systemic competitiveness that’s been shrugged off.
Of all the major capital projects under construction in the region, only three per cent are related to pipelines.\textsuperscript{50} Thirty-two per cent of newly proposed projects are for pipelines. Companies are getting busy.

What are governments saying with their dollars? Infrastructure investments are just 12 per cent of the active projects in the region. And, of all newly proposed projects, only two per cent are for infrastructure.

Trying to understand Alberta’s position on infrastructure, we worked our way through to the top of the provincial government. There doesn’t seem to be an evidence-driven strategy for infrastructure investment. It’s driven by urgency and loud voices.

Infrastructure defines the destiny of this region. We’ve allowed pressure to bleed off that reality by opening up access to rails. But what we’re seeing on the rails right now isn’t a strategy. It’s a fear-driven, reflex response. This region has to take seriously the concerns companies continue to express about stranded assets, inability to access markets, labour constraints, overwhelmed supply chains, pipelines within the region, and pipelines going out from it.

We won’t spend any more time in this area. It’s work the CRB has already pursued when it consultants to explore the infrastructure related to oil and gas. This is extremely important work. It’s the most often discussed issue among the executives we interviewed.

\textbf{Labour is the key constraint}

Even though executives talked most about infrastructure, they said labour is the most important issue.

As the saying goes, it all comes down to people. But that idea has several parts. Municipalities need better-skilled people, companies need more labour, and both sides struggle to keep good people around.

Executives worry about the quality of people in municipal administrations. When they ask municipalities questions, seek approvals, or need to submit information, they’re finding people with limited experience and narrow authority to work with. When they do find good people, they’re leaving too quickly, lured away by high-paying developers.

Mayors are great at moving corporate players to the right areas of their administration. It’s the productivity of the administration team that’s a challenge.

Among companies, productivity has basically flat lined since 2001. It’s high in some areas but, in general, it isn’t improving. Outside of finance, which is very strong ($310,000 in GDP per employee in 2013), manufacturing ($210,000), and transportation ($96,000), the sectors are either unchanged or declining. The weakest sectors are health care, construction, and trade.\(^{51}\)

The average wage in the region was $37,000 in 2001 and rose to $56,000 by 2011.\(^{52}\) Mining and oil and gas extraction offer the highest wages ($88,000 per year in 2011). Jobs in utilities, construction, manufacturing, wholesale trade, ICT, finance and insurance, professional and technical services, management of companies, and public administration all pay above-average rates. Below the line are health care (averaging $53,000 per year, but showing good growth of 61%), transportation and warehousing ($52,000 with 41% growth), and agriculture wages (which are among the worst at $30,000 even with 41% growth over the last 10 years).

The Workforce Strategies Division of Alberta Jobs forecasts above-average growth in 49 occupations for the Capital Region.\(^{53}\) These include jobs in food service, education, police and firefighting, and logging. Jobs in public administration are expected to

\(^{51}\) It’s worth noting, given the attention it gets within the Capital Region, that agriculture is one of the lowest, at $59,000 per employee per year.

\(^{52}\) To get a sense of which sectors pay the best, we tied together Statistics Canada’s Labour Force data with a custom run of NAICS data by Natural Resources Canada.

grow too, but by less than five per cent. Below-average growth is expected in agriculture, oil and gas drilling, machining, and metalworking.\textsuperscript{54}

To us, the data that matters most is the decline or low growth anticipated in the supply chain for oil and gas. Declines like these, within the core engine of the economy, are concerning. But this isn’t a reason to step back from oil and gas. It deserves attention and underlines the importance of what we’ve already said about supply chains and the importance of manufacturing. We saw a similar trend in 2008 that went largely unacknowledged. Manufacturers and energy-related services were hard hit. The industrial ecosystem that supports energy proved its resilience and absorbed that shock. But current commodity prices aren’t built into these occupational forecasts. These declines could be a lot more severe than projected.

**Educational institutions create vital skills**

Companies are looking at a labour crisis and wonder what the government is thinking as it cuts foreign worker programs and reduce funding to post-secondary.

The province’s 2013 cuts to education surprised executives. It seemed ridiculous to cut post-secondary funding by seven per cent ($147 million) just as the economy began to regain its feet. When the government reversed its decision and poured $50 million back into education, it made clear how critical new students are to this economy.

**Post-secondary education attainment is very strong**

Hiring skilled, well-educated graduates is one of the region’s best paths to resolving its labour crisis, improving the management of companies, and increasing technological efficiency. Post-secondary education levels indicate a region’s ability to support economic growth.

\textsuperscript{54} Keep in mind that these projections are based on 2012 data that has tremendous growth already built into it.
Relative to their populations, St. Albert and Strathcona County have the highest concentration of educated workers (both at 59%). In terms of growth, Beaumont (135%), Spruce Grove (116%), and Leduc (115%) are the strongest performers.

Relative to the rest of Canada, Alberta isn’t quite where we’d expect it to be. It is, after all, the economic engine of the nation. On average, 54 per cent of workers in Canada have a post-secondary education. In Alberta, it’s 52 per cent. In the Capital Region, it’s 50%. Relative to other provinces, Alberta follows Quebec (57%), Ontario (54%), B.C. (53%), and Newfoundland (52%).

Still, relative to the rest of the world, we’re in a good position. According to the Organisation for Economic Co-operation and Development (OECD), Canada has remained a world leader since 2000. Only in 2012 were we slightly outpaced by Russia. The OECD average is around 30 per cent. In Norway, the United States, and Australia, it’s 40 per cent.

Admittedly a post-secondary education isn’t all that’s needed to drive economic performance. If it were, Canada would outrun the rest of the world. It hasn’t. That aside, it is important to focus on training skills in areas that matter most. As we’ll see later in the discussion of Ireland’s priorities, this might mean a massive shift up from the incremental funding we usually see.

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56 Over the 10-year period 2001–2011.

57 HRSDC calculations based on Statistics Canada. Table 282-0004 - Labour force survey estimates (LFS), by educational attainment, sex and age group, annual (persons unless otherwise noted), CANSIM (database).

Institutional innovation is an asset

From an innovation perspective, the University of Alberta is a strong industrial asset. It's more active in patenting than any corporation. It applied for 72 patents between 2009 and 2013, most of them in chemical manufacturing (49%) and electronic product manufacturing (25%).

TEC Edmonton, which is a business accelerator and joint venture between the University of Alberta and the Edmonton Economic Development Corporation, has helped raise $120 million for companies since 2008. Around 36 per cent of its clients are University of Alberta spinoffs.

UBI Index analyzes the performance of business incubators around the world and ranked TEC Edmonton at number 17 in 2013 and as the top incubator in Canada (Digital Media Zone at Ryerson University also made the list). This year, TEC Edmonton is 10th.

Funding doesn’t match demand

In spite of the province’s strength in education, we’re still not training enough people to meet demand. That’s why government funding remains a concern.

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59 In 2012 alone, the University of California was granted 357 patents. MIT received 216 and Stanford University got 182. The University of Alberta applied for 18.


61 NAIT has one patent application; it’s also in computer and electronic product manufacturing.


63 Effective incubators can increase the efficiency and competitiveness of regional economies.

64 UBI Index: Benchmarking Incubation Globally. 2014. “Global Top 25 University Business Incubators 2014.”
Most of the government’s funding for education goes to comprehensive institutions like the University of Alberta (54% of the total). Polytechnical institutions, like NAIT, get about 18 per cent. Norquest and other comprehensive community colleges get another 18 per cent. Baccalaureate universities, such as Grant MacEwan, receive eight per cent.

Funding to polytechnical schools is growing (up 63% from 2007 to 2011 and up 20% from 2010 to 2011). It’s fallen for comprehensive institutions (down 16% from 2010 to 2011). Overall, Government of Alberta funding to post-secondary dropped by three per cent from 2010 to 2011. It’s been worse in the years between 2011 and now.

Based on full-load equivalents, enrolment in post-secondary is increasing in the province. Baccalaureate schools increased enrolment by eight per cent. Comprehensive institutions saw a six per cent rise from 2007 to 2011. Of some concern is falling enrolment at polytechnical schools. NAIT’s enrolment fell by three per cent. At SAIT, enrolment declined by 1.5 per cent.

The federal government invests in post-secondary too. One of its agents, the Natural Sciences and Engineering Research Council of Canada (NSERC), put out $1.1 billion in 2013. Of that, Ontario attracted $380 million, Quebec got $250 million, and Alberta received $103 million (9.4%).

The University of Alberta attracts over half of NSERC investments in Alberta each year. It got $56 million in 2012 and $57 million in 2013. NAIT and King’s University College combined attract another one per cent (mostly to NAIT, which got $1.1 million in 2013).

Based on these numbers, it’s clear that this region isn’t making the kind of phase change in investments that other jurisdictions have pursued. Instead, our government is withdrawing its support to post-secondary and applied research.

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Be great at attracting foreign workers and immigration

In the mid-term report, we talked a lot about foreign labour and immigration. The region needs both desperately.

Alberta has the highest concentration of foreign workers in Canada (42% of total national foreign workers and two times more skilled workers than Ontario). The Capital Region attracts about 30 per cent of immigrants to the province each year.

Canada attracted 2.9 million immigrants between 2001 and 2012. Calgary attracted 150,000 (53%). About 88,000 immigrants located in the Capital Region. Annually, Edmonton attracts more immigrants (12,000 in 2012) than Ottawa (8,000) or Winnipeg (11,000).

Executives talked emphatically about the opportunity for this region to get great at attracting new people. The region hasn’t really embraced this opportunity.

In 2006, 24 per cent of Calgary’s population was immigrants, Edmonton was at 19 per cent, and Ottawa and Winnipeg were both at 18 per cent. There were 197,000 immigrants in Edmonton and 260,000 living in Calgary at the time.

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68 We aren’t commenting on the stewardship shown by post-secondary institutions. That definitely deserves deliberate analysis. Still, we can’t pull back from post-secondary, allow the Alberta Innovates system to stagnate, and present no alternative response to the economic pressures of the region. Without a response, this economy’s growth is unsustainable.


70 Statistics Canada. Table 051-0063 - Components of population growth by census division, sex and age group for the period from July 1 to June 30, based on the Standard Geographical Classification (SGC) 2011, annual (persons).

71 Statistics Canada. Table 051-0057 - Components of population growth by census metropolitan area, sex and age group for the period from July 1 to June 30, based on the Standard Geographical Classification (SGC) 2011, annual (persons). Accessed June 4, 2014.

The 2011 profile puts the region’s population of immigrants at 240,000 or 21 per cent of the population.\textsuperscript{73} The same data for Calgary puts the city at 25 per cent or 300,000 immigrants. That’s an increase of two per cent in Edmonton and one per cent in Calgary.

There’s been some marginal improvement, but the labour crisis means we’ve got to get better. We need to attract more people and invest in efficiencies that drive down the need for labour. The region won’t meet demand through internal growth.

**Municipalities can address labour gaps**

Companies say labour is critical, and they link this issue to municipalities:

- They see municipalities being aggressive in their work to attract companies. Effort to attract immigrants isn’t nearly as earnest.

- There is an explicit link between the struggle companies face in attracting labour and the infrastructure gaps that cause traffic congestion, delays at rail crossings, and insufficient access to public transit. People leaving the region tell their employers the roads aren’t safe and commute/transit times are too long.

- Competition on the global stage between neighbouring municipalities, in places like trade shows, looks amateurish and erodes the credibility of the region. It makes the region look less attractive to people who might otherwise locate here.

We’re not saying that all the problems raised in this section are the fault of municipalities. We are saying municipalities have a role in helping address the crisis we now face. We need to take stock of and enhance the assets that make the region an attractive and rich place to live.

\textsuperscript{73} The 2011 data isn’t available in the same way but does provide some potential immigration-related evidence. The data includes detail on the mother tongue of people surveyed and living in the region. To just get a signal of potential change, we’ve identified all individuals whose mother tongue isn’t English or French as an immigrant. Very coarse, we know. It should overestimate the immigrant population, but the results are only a marginal gain over the 2001 numbers.
2. KNOW YOUR BEST: WHAT IT TAKES TO BE GLOBALLY SUCCESSFUL

So far, we’ve talked about the economic system of the region but haven’t really discussed the character of the municipalities. The two go hand in hand.

Diverse characters

Demographics won’t keep up with economic growth

Demographic data for the region (2001, 2006, and 2011) shows negative or neutral growth potential. Basically, there aren’t enough young people, and there are a lot of old people. There are exceptions; Beaumont is positioned for growth (with a strong, young population that’s wider and deeper than its population of senior citizens). Gibbons, Legal, and Spruce Grove show potential too. Lamont and Warburg stand out with populations heavily weighted toward the elderly.

The 20- to 24-year-old demographic is thin in most municipalities (hovering around 5%). It’s strongest in Edmonton (8%), Fort Saskatchewan (8%), Spruce Grove (7%), and Leduc (7%). It’s particularly thin in Thorsby, Wabamun, and Warburg.

The counties all show a distinctly large population of 40- to 54-year-olds. Bruderheim, Redwater, and St. Albert have similar patterns. Given the dependence of Lamont County and Leduc County on agriculture, this is the pattern we’d expect to see. Seeing St. Albert in this group is a surprise and signals that it faces potential economic challenges.

The region can’t meet the labour needs of its own economy. That’s why immigration, foreign workers, and technological efficiency need to rise. The data also crystallizes concerns that we need to be more proactive in managing the challenge of an aging population. The social system that’s in place today can’t sustain its weight.
Municipal revenue and debt are fine but not strategically allocated

The City of Edmonton’s revenue for 2012 was $2.8 billion (71% of all municipal revenue in the region). Strathcona County pulled in $370 million (9%), St. Albert got $170 million (4%), and Parkland County received $86 million (2%). Bruderheim has the fastest-rising revenue (with an increase of 81%, from $1.9 million in 2009 to $3.5 million in 2011). It’s followed by Stony Plain (66%), Beaumont (50%), and Parkland County (46%). Wabamun, Legal, and Thorsby are experiencing losses of 63 per cent, 33 per cent, and 20 per cent, respectively.

As of 2012, Edmonton’s long-term debt was $2.2 billion (84% of all municipal debt in the region). That’s up 50 per cent from 2009. Other debt leaders include Strathcona County ($170 million and 7% of the region), St. Albert ($56 million and 2%), and Leduc ($52 million and 2%). The Capital Region is responsible for 32 per cent of municipal debt in the province.

The municipalities with the fastest-rising levels of debt are Morinville (up 470% from $1.0 million in 2009 to $5.7 million in 2012), Thorsby (up 350%, from $250,000 to $1.1 million), and Fort Saskatchewan (up 130%, from $13 million to $30 million). Warburg (-94%), Legal (-81%), and Lamont (-80%) are aggressively paying down their debt.

Of all municipalities in the region, Parkland County’s position is particularly attractive. It enjoys the fourth-fastest-rising level of revenue and has the fourth-highest level of revenue. It’s 11th from the top for debt. Only Warburg and Legal have better debt-to-revenue ratios (0.01 in Warburg, 0.01 in Legal, and 0.07 in Parkland County).

Fortunately the region’s percentage of debt to GDP remains stable at a fiscally prudent average of 3.6 per cent annually.

All together, this data highlights several dynamics:

- Edmonton’s revenue, relative to the region, is lower than its debt load. For the hub of infrastructure in this economy, that isn’t a sustainable position. This will have consequences for every municipality in the region and maybe shouldn’t be just

Edmonton’s responsibility.

- Not all municipalities that are ramping up debt have strong development strategies. Given the gap between where the region stands today and where its economy is headed, it’s important that all municipalities invest in areas with the highest return.
- There isn’t a lot of upward mobility within the region’s debt position. There is, however, a major infrastructure gap. The region needs a deliberate and aggressive strategy to tackle this barrier.

**Economic development requires planning**

Baked into the revenue and debt data is a clear signal of economic development potential in the region. In general, municipalities with low revenue limit the resources they invest in economic development. While that’s the trend, there are outliers. Some of the smallest places in the region are very aggressive in economic development (Redwater, Bon Accord, and Thorsby come to mind). A couple of the larger municipalities have some of the weakest economic strategies.

When municipalities haven’t got strong plans, they aren’t competitive in getting funding. Spruce Grove attributes its success in funding competitions to a clear development strategy. When neighbouring municipalities have poorly matched development capacities, the one with strength usually wins. But that also means that weaker neighbours have important needs, like infrastructure gaps, which go unaddressed. This imbalance pulls the whole region down and undermines the economy. Several mayors suggested building sub-regional strategies. Given the unbalanced reality of economic development in the region, that seems to make sense.

While having no economic development capacity means missed opportunities, poor economic development strategy can be just as bad. Developers tell us that they only trust a few of the many economic development agents in the region. Many municipal workers lack experience with industry, and municipal administration isn’t as responsive as it might optimally be.

**Developing small places**
For the small towns, where we haven’t found much data, there might be a feeling that we’ve ignored your interests. We’ve tried hard to find data that sheds light on your choices. We’ve paid special attention to the kinds of companies that fit well in your communities.

It’s not a simple thing to do, but interviews suggest it’s best to target niche-oriented companies. We spoke with three niche companies for this project and have interviewed close to 100 for other projects. These are companies that are virtually independent of their location. They ship nationally or internationally, compete within a narrow field, and rarely fall victim to economic cycles. Good examples are Arctic Spas in Thorsby and Gibbons Motor Toys.

Transportation companies are another interesting option. These companies need access to major corridors, space to park their equipment, and buffers from residential areas. They prefer distance from urban areas over the challenge of navigating traffic and enduring nuisance complaints.

**Best of the region**

When we interviewed mayors and executives, we promised not to call out anyone on their weaknesses. There isn’t much value in doing that. But there is something to be gained from pointing out specific strengths.

Strathcona County stands out for its leadership in heavy industry. Companies are made confident by the County’s knowledge of their needs, responsiveness to their concerns, and willingness to protect their interests (for example, with buffers around heavy industrial sites).

Companies praised Fort Saskatchewan for being proactive. Executives said that the municipality monitors them closely but, as a result, it’s able to anticipate needs and get out in front of them before there’s an issue.

Acheson is acknowledged as a successful transportation hub. Nisku is seen as a hotbed for the industrial ecosystem that’s risen up around downhole operations.
Developers laud Edmonton for its commitment to density targets. Edmonton is also seen as the centre for world-class distribution and logistics companies.

Leduc went against the grain with developers and companies when it built its industrial park. Now that area is recognized as a premier location for high-end manufacturing. Leduc set the benchmark for what deliberate, criteria-driven development can mean for the region.

The Industrial Heartland is an extremely successful example of what stitching together these sets of strengths can look like. Each partner brings their unique characteristics to the table and, as a group, they benefit.

From our outside perspective, these examples underline the return on investment in deliberate and specific objectives. Not all municipalities are so targeted or intentional. We know we’re naïve. Still, it seems that we’ve found evidence that supports deliberate action across the region.

Comparison to similar places

“Best of” lists aren’t a rigorous resource. We don’t put much weight on such rankings, but it’s helpful to compare our interviews and analysis with some of the stronger lists around.

Places in Canada

Best communities for business in Western Canada

*Alberta Venture* produces an annual list of “Best Communities for Business.” The 2013 list included nine of the municipalities that are part of the Capital Region. They include Stony Plain (#11), Edmonton (#12), Fort Saskatchewan (#13), St. Albert

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(#16), Sturgeon County (#17), Leduc (#20), Sherwood Park/Strathcona County (#22), Spruce Grove (#23), and Parkland County (#24). Top of the list are Fort McMurray/Wood Buffalo, Grande Prairie, and Olds.

Within specific categories, Sturgeon County ranks second (behind Brooks) for cost of serviced industrial land ($150,000 per acre). Stony Plain is also in the top 10. Edmonton, with $525,000 per acre, is in the bottom five.

Sturgeon County’s mill rates are the best in the region (3.3). Parkland County (3.5), Fort Saskatchewan (4.4), Sherwood Park (4.5), and Stony Plain (4.7) are also in the top 10. St. Albert is in the bottom five (7.6). Only Grande Prairie is lower (10).

So, overall, the region’s about average relative to the rest of the province. Given the province’s standing in the world, that’s not all bad.

Quality of life

Numbeo offers user-contributed data about cities and countries worldwide. Its quality of life index is built from cost of living, purchasing power, housing affordability, pollution, crime rate, access to health systems, and traffic-related indicators. Cities are indexed against New York. The company’s list of cities in the Americas puts Calgary in second place (200 on the index), behind Ottawa (220). Edmonton is eighth (170), just ahead of Vancouver (160).

Relative to the rest of the world, Calgary is ranked fifth, and Edmonton is 16th.

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76 The characteristics *Alberta Venture* uses to make its lists include population growth, mill rate, median age, cost of serviced industrial land, post-secondary education attainment, and the presence of post-secondary institutions. It also does interviews with municipalities, business associations, commercial real estate agents, developers, landlords, and individual business people.


78 Edmonton ranked more favourably in 2012 and, at the time, was ahead of Calgary and third in the world. Since then, safety has gotten better. Purchasing power, the consumer price index, property prices, and quality of health care have gotten worse.
Canadian cities (Ottawa, Toronto, Calgary, Vancouver, Edmonton, and Montreal) top the list for safety. Edmonton is in the top five for health care and low pollution. It’s the worst Canadian city on the list for traffic commute times and among the worst 10 cities on a consumer price index.

Clearly Edmonton, along with the region, is competitive worldwide on quality of life. So why does the region still struggle to meet its labour needs? Is it merely an issue of branding and poor communication? Or is there something more, beyond quality of life that drives people’s location decisions? It’s those questions that lead us to the entrepreneurial cities and international place we discuss next.

**Entrepreneurial cities**

In 2014, the Canadian Federation of Independent Business did a study of Canada’s top entrepreneurial cities.\(^7^9\) Greater Calgary (not the city itself) ranks top of the list. Greater Edmonton (again, not the city) is second. The City of Edmonton is sixth. Calgary is ninth.

The ranking’s indicators include number of businesses established, concentration in ICT, and percentage of self-employment. They also included a range of qualitative variables like life satisfaction, the state of business, and the cost of local government.

Relative to the City of Edmonton, the greater region (which includes Strathcona County, St. Albert, Parkland County, Spruce Grove, and Leduc) has a higher percentage of self-employment (11% versus 8%), lower cost of government (with 42% saying it’s a problem versus 54% saying it’s an issue in the city), and higher government awareness (17% versus 13%). These gaps in government awareness are confirmed by our interviews.

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The city does better in the state of business (48% rank it as good versus 45% outside the city) and property tax rates (this is expressed as a ratio of commercial tax over residential tax, and Edmonton gets 2.3 where the region gets 1.6).

It’s worth explaining why we’ve included this city and region comparison. To us it signals the interdependence that exists within the region, whether it’s recognized or not. The parts work well together. They complement each other. And this is happening without proactive effort or any mechanism that rewards the differences among municipalities. Based on these indicators, the Capital Region is very competitive overall.

**International places**

There’s a lot we can learn by studying the examples of other places. What have others done in similar situations? How do they make difficult choices?

In previous projects we’ve done this part of our work by finding places that work the same sectors as those of our client. For example, while working in Saskatchewan, we looked for other places that also compete in heavy machinery manufacturing. That works well but it sort of stacks the deck. It’s easy to cherry-pick stories that fit the story we want to tell.

For this project we went a different route and it produced a better result. We simply short-listed the cities in the world with similar innovation-oriented characteristics (see the Innovation Cities section below). From that list we pulled all cities with a population between one million and two million.

Doing it this way gave us a set of stories that are chosen independently of this issues we’ve discussed so far. It’s kept us from stacking the deck to make a point. As a result, when the stories from other places overlap with the issues we’ve found here, it’s much more powerful. So, don’t read these examples expecting to see a connection to the Capital Region. They weren’t chosen with that in mind. We’ve basically picked these names out of hat and are surprised to find the rich lessons they have to offer.
Innovation cities

2thinknow is a data analysis and services company focused on innovation in cities. It’s been publishing its Innovation Cities Index since 2007. Cities are ranked based on their potential for innovation performance across 31 characteristics and within five classes.

Edmonton’s place in the rankings hasn’t changed much between 2009 and 2014. It ranked just outside the top 125 in 2009. In 2014, it was ranked 122nd. Since 2012, it’s been reclassified as a Hub. A Hub is a city with dominance or influence on key economic and social innovation segments, based on global trends.

Among Hub cities, Edmonton and the surrounding region lands near the bottom of the stack. Of 97 Hub cities, it’s 82nd. In spite of its dominance or influence on key economic segments, the region’s potential for innovation performance is low relative to its peers.

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81 The classes are:

NEXUS: Critical nexus for multiple economic and social innovation segments
HUB: Dominance or influence on key economic and social innovation segments, based on global trends
NODE: Broad performance across many innovation segments, with key imbalances
INFLUENCER: Competitive in some segments, potential or imbalanced
UPSTART: Potential steps towards relative future performance in a few innovation segments.
International peers

Our list\(^{82}\) of similarly sized, innovative cities includes Antwerp, Belgium; Bilbao, Spain; Bordeaux, France; Cologne, Germany; Dublin, Ireland; Düsseldorf, Germany; Hanover, Germany; Lille, France; Mannheim-Heidelberg, Germany; Marseille, France; Nuremberg, Germany; Prague, Czech Republic; Rotterdam, Netherlands; Toulouse, France; and Zürich, Switzerland.

In the U.S., we focused on\(^{83}\) Austin, TX; Kansas City, KO/MO; and Salt Lake City, UT.

Relative to similar places outside the U.S., Dublin, Ireland, produces the highest GDP (US$80 billion).\(^{84}\) The next-strongest three are Prague, Czech Republic ($76 billion); Cologne, Germany ($73 billion); and the Capital Region ($66 billion). Growth is strongest in Prague. Dublin and the Capital Region are about even.

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\(^{82}\) Our short list of similar international places is built from several databases. We leveraged the 2thinknow database[1], described above, to build a list of “hubs[2]” like the Edmonton region (Calgary is a hub too). This list was cross-referenced with OECD data to get down to the places within this region’s population band (one to two million people).


[2] A hub is classified as a city or region with dominance or influence on key economic and social innovation segments, based on global trends.

\(^{83}\) The list of U.S. cities of similar size and innovative capacity includes Austin, TX; Baltimore, MD; Buffalo, NY; Charlotte, NC; Kansas City, KO/MO; Manchester, NH; Orlando, FL; Pittsburgh, PA; Salt Lake City, UT; and Tampa, FL. Given the Capital Region’s desperate need to attract talent, we focused the list using four different rankings of the most attractive cities for young, skilled workers. The rankings are by Forbes[1], Greatist[2], Vocativ[3], and Richard Florida[4]. If the city was similarly sized, similarly innovative, and attractive to talent: it made our final list.


The region is very competitive from a productivity perspective, and this shows up in the labour data. Dublin had the highest gross value per worker (measured in 2005 constant U.S. dollars), at $100,000 in 2010. The Capital Region came second at $94,000, followed by Antwerp, Belgium, at $81,000. The lowest of the group was Lille, France, at $59,000.

In innovation activities, the region isn’t nearly as strong. The strongest three city regions in patenting are Mannheim-Heidelberg, Germany (5.3 per 10,000 inhabitants in 2012); Dusseldorf, Germany (3.0); and Nuremberg, Germany (2.9). Our data for the Capital Region puts it close to zero.\textsuperscript{85} As we saw above, in the Innovation Cities ranking, we aren’t keeping up with our peers.

\textbf{Dublin}

Dublin and Belfast are the two mid-sized metropolitan cities of Ireland. Each is surrounded by several smaller cities. The Southern and Eastern region, which includes Dublin, is generally the stronger performer in research and development intensity, patenting, and innovation among small and mid-sized companies.\textsuperscript{86} The population of the Dublin region was 1.3 million in 2011.\textsuperscript{87}

The Dublin Regional Authority encompasses the Dublin City Council, Fingal County Council, Dun Laoghaire-Rathdown County Council, and South Dublin County Council. Current projects include the Peri-Urban Charter, which supports the Authority’s role in the PURPLE\textsuperscript{88} network. This network is focused on regional issues related to climate change, biodiversity, ecosystem services, peri-urban open space, and food security.

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\textsuperscript{87} Dublin Regional Authority. 2014. www.dra.ie.

In 2012, the Authority commissioned a report on Dublin’s role in the global economy.\textsuperscript{89} The report recommended basing future policies and economic development initiatives on evidence and data from across the region. They also recommended that key stakeholders such as the Department of Justice, Dublin Local Authorities, the Dublin Regional Authority, Fáilte Ireland, Chamber of Commerce, and others work together to jointly build and promote the attractiveness and accessibility of the city region. Their final recommendation was to target investment in key infrastructure that will otherwise limit the capacity of the Dublin region’s growth.

The region has gone through three main phases of economic evolution. Basic manufacturing (in produced food, textiles, and beverages) has given way to advanced industry driven by foreign direct investment, mostly out of the U.S. In spite of being severely hit by the recession, a drastic fall in GDP, and a sharp rise in unemployment, Ireland continues to focus on industrial collaboration and applied research. Today, it’s targeting specific growth sectors (biotechnology and IT) and building up from low levels of research to sustain economic growth.

The publishing of \textit{Technology Foresight Ireland} by the Irish Council for Science, Technology and Innovation was a milestone in Dublin’s development.\textsuperscript{90} It argued for the creation of an “apex capacity” for world-class research of sufficient scale in strategic areas within universities, colleges, research institutes, and industry. It said the gap could only be filled with a “quantum leap in investment by anticipating the areas of strategic opportunity and investing ahead of demand.”


An organization called InterTradeIreland currently drives the cross-border collaboration between Ireland and Northern Ireland. It collects information for policy research and relies on strong economic data to justify its position. Created in 1999, the organization was originally intended to promote trade between the two countries. Its focus has shifted to the competitiveness of the region. It was also originally viewed as a political body and has more recently gained a reputation as a solid economic body.

For us, the lesson here is to focus on getting above incremental investments and create consensus for a quantum phase change in applied and advanced research within the core engines of the region. InterTradeIreland is a great example of an institution that’s taken initiative to build robust economic data that enhances regional competitiveness.

Prague

Prague is the capital of the Czech Republic. It’s a hub for public administration and energy. Its population of 1.8 million generated US$76 billion of GDP in 2010. Gross value added per worker was $77,000 (in Edmonton, it was $94,000).

Prague is part of the Central Bohemia Region, and its main development areas include Hostivice, Rudná, dolní Poberouní, Dolní Břežany – Zvole, Jesenice, Pruhonice – Modletice, Jirny – Šestajovice, Zdíby – Klecany, Úžice, Tuchoměřice – Kneževes, and Unhoště. Prague’s economic base has traditionally been in manufacturing. Since the late 1990s, it’s been moving toward higher levels of service (especially finance).

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Rapid commercial development has resulted in regional fragmentation and isolation. Future success depends on the ability of Prague and the Central Bohemia Region to coordinate goals and develop joint investment solutions.

Like Edmonton, Prague struggles with the weight of its role in the region and as the seat government. It carries the lion’s share of infrastructure costs but benefits little from the profit this infrastructure helps generate among firms in neighbouring communities. Its main concern is supporting infrastructure costs without a stronger industrial tax base. Its strategy for meeting these responsibilities includes strengthening its position as an internationally respected city, coordinating development with the broader region, and investing in scientific-technological institutes like the Prague Technical Park, the Bio-technological Park in Krč, and CVUT in Dejvice.

At present, only rudimentary partnerships exist between Prague and the Central Bohemia Region. So far, these are mostly bilateral agreements in transportation and public service. The OECD has said that these agreements could be the basis of a stronger regional agreement but that in the absence of economic necessity there’s no political reason for this to happen. From our perspective, the Capital Region is in a nearly identical situation.

**Nuremberg**

Nuremberg is central to a broader region of 3.5 million people and 1.8 million jobs. There are 500,000 people and 360,000 jobs in the city itself. Major sectors are commerce, trade and transport (26%), and manufacturing (20%).

The region’s economic development initiatives are led by the Nuremberg Metropolitan Region partnership. The partnership is a voluntary municipal alliance. It was built out of a federal program that provides incentives for urban and rural areas in Germany.

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96 City of Nuremberg. 2014. “Welcome to Nuremberg.”
to cooperate. The aim was to reinforce manufacturing, strengthen regional labour markets, and stimulate cooperation among companies and institutions.97

Analysis of land development among German municipalities suggests that the social and environmental costs of rapid expansion are mitigated when local governments receive revenue-sharing grants that redistribute funds among jurisdictions.98 This conclusion encouraged creation of a common identity that was the starting point for common action and strategies in the wider metropolitan region.99 Both urban and rural partners recognized that a more integrated region would increase its visibility worldwide.

As we’re seeing here in the Capital Region among small municipalities, Nuremberg overcame limits of size by networking territories together to achieve economies of scale that attract development and service providers. An additional benefit was better access to funding from governments.

The federal government also invested heavily in universities of applied sciences to support and develop industrial activities in areas of global strength.

Much like the Capital Region Board, the core of the partnership is the mayors and district administrators of the metropolitan region. This council makes decisions by consensus. Regardless of size, each council member has one vote. The principle of one voice, one vote helps create trust. Managed by this council, the partnership has implemented several successful projects, including the Nuremberg Metropolitan Region Medical Valley (a cluster for medical technology that employs 16,000 people and

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hosts 180 medical engineering companies) and the Integrated Public Transport System of the region that carries over 220 million passengers a year.\textsuperscript{100}

Redistribution of resources is key to Nuremberg’s success. It’s helped the region overcome the limits of smaller territories and drive investment into its areas of global strength. This seems like a lesson we might learn from their experience.

\textbf{U.S. Cities}

The Milken Institute has ranked the best-performing cities in the U.S. since 2008.\textsuperscript{101} Austin ranked in first place for both 2013 and 2012. Salt Lake City was fifth in 2013, sixth in 2012 and 49th in 2010. Kansas City was 137th in 2011 and 60th in 2010. The indicators they use include job growth, wage growth, concentration of high-tech, and labour quotients relative to GDP. Given those indicators, and their relevance to the Capital Region, it’s interesting to see the mobility of Salt Lake City and Kansas City in these rankings across time.

The Capital Region compares really well with these U.S. cities (see Exhibit 5).\textsuperscript{102} On GDP per employee, one-year patent growth, five-year patent growth, and one-year GDP growth, it’s best overall.

The region lags Austin in five-year job growth. It also lags both Austin and Salt Lake City in one-year job growth and five-year GDP growth.


### Exhibit 5: Comparison of the Capital Region to other innovative and attractive US cities

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Austin, TX</th>
<th>Kansas City, MO/KO</th>
<th>Salt Lake City, UT</th>
<th>Capital Region</th>
<th>Region’s Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>1-year job growth</td>
<td>2.7%</td>
<td>-1.3%</td>
<td>2.1%</td>
<td>1.1%</td>
<td>3</td>
</tr>
<tr>
<td>5-year job growth</td>
<td>14%</td>
<td>0.6%</td>
<td>-2.6%</td>
<td>5.6%</td>
<td>2</td>
</tr>
<tr>
<td>GDP/employee</td>
<td>$94,000</td>
<td>$79,000</td>
<td>$86,000</td>
<td>$94,000</td>
<td>1</td>
</tr>
<tr>
<td>1-year patent growth</td>
<td>-25%</td>
<td>-22%</td>
<td>-8%</td>
<td>9%</td>
<td>1</td>
</tr>
<tr>
<td>5-year patent growth</td>
<td>-36%</td>
<td>-14%</td>
<td>-11%</td>
<td>6%</td>
<td>1</td>
</tr>
<tr>
<td>1-year GDP growth</td>
<td>7%</td>
<td>2%</td>
<td>5%</td>
<td>8%</td>
<td>1</td>
</tr>
<tr>
<td>5-year GDP growth</td>
<td>9%</td>
<td>4%</td>
<td>11%</td>
<td>5%</td>
<td>3</td>
</tr>
<tr>
<td>% GDP from high-tech</td>
<td>8%</td>
<td>11%</td>
<td>11%</td>
<td>5%</td>
<td>4</td>
</tr>
</tbody>
</table>

**Leader**

**Laggard**

*Sources, from different years: Milken Institute, OECD Stat Extracts, BC Stats, United States Patent and Trademark Office, Statistics Canada*
Our region’s performance in patenting is a bit deceptive. We’ve used percentage change to match the Milken Institute’s metrics, but we can see, based on GDP in high-tech industries, that the Capital Region trails these places. GDP from high-tech industries was five per cent in Alberta, eight per cent in Texas, and 11 per cent in both Salt Lake City and Kansas City in 2012. Austin’s been rewarded in this ranking for its development of high-tech. Based on year-over-year growth, it rose from 63rd place in 2008 to 18th in 2013. A lot of this growth comes from hardware, chips, and communications gear manufacturing. We’ve already seen that this is an area open to the Capital Region. Austin’s also added jobs in its financial services sector, another area where this region has similar strength.

In 2004, the Austin Chamber of Commerce launched a five-year strategy to promote job creation. It targeted 72,000 regional jobs and ended up with 190,000. It is now focused on eight specific industries: clean technology, data centres, digital media, HQ/regional offices, medical device/biosciences, semiconductors, software, and wireless.

The Capital Region could, if it chose to coordinate development interests, do something similar in clean technology, nanotechnology, advanced materials, and sensor technologies.

Salt Lake City focused on recruiting large, high-value-added companies and on spinoffs from local universities. The Utah Science Technology and Research Initiative, founded by the University of Utah to drive spinoffs, is a leader in technology-based economic development. The region added 2,600 professional, scientific, and technical service jobs in 2012. The Capital

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Region lost 2,000 jobs that year but added 6,000 in 2013. Like Austin and Edmonton, Salt Lake City enjoys a strong financial sector.

This year, Kansas City produced *Prosperity at a Crossroads: Targeting Drivers of Economic Growth in Greater Kansas City* with the Brookings Institute.\(^\text{106}\) The report concluded that the region has shown signs of weakness for more than a decade, despite surface-level stability in the economy. Trade sectors aren’t performing well. It lays out the consequences of fragmented economic initiatives led by independently operating municipalities. Competition is a distraction from core strengths. Of specific concern are gaps in patent activity and new business establishments. Just as we’ve seen here, the region’s key industries have experienced reduced terms of trade relative to other places.

The report recommends dropping fragmented and uncoordinated economic development initiatives and creating a shared plan focused on core industrial strengths, tuning in to market drivers within existing industries to create innovative solutions and increase exports, and focusing on developing high-tech start-ups in ICT that produce patents and exports.

**Lessons learned**

The examples above are of places of similar size that share innovative and economic characteristics. Each of these places found a unique path to their potential. Among their stories we see three lessons for the Capital Region:

1. The challenges this region faces aren’t unusual. Other places struggle to collaborate too. Several fight to keep up with an overheated economy. Even this region’s labour issues aren’t rare. So excusing ourselves, as though we face an entirely unique set of challenges, isn’t justified. Other places face hard decisions; we need to get on with making ours.

2. Innovative activities within core areas of strength need to dominate economic development. A consistent thread, in all the

examples above, is that no matter how different their economies are from ours, these places chose to pursue their strengths by investing in related areas of innovation.

3. Successfully navigating this region will require deliberate leadership. Without leadership, the Capital Region runs the risk of missing its potential and stagnating like Prague or falling like Kansas City.

These places shed light on the questions we asked earlier about the region’s strong global position in quality of life comparisons. We wondered, is this just a failure of branding? We don’t think so. We think it’s a question of leadership.

Places like Austin, Salt Lake City, and Dublin are clear on what they intend to do. Their focus is attractive. It’s not an issue of clear messaging; it’s one of intention.

3. **CHOOSE TO LEAD: PULL IN A COMMON DIRECTION THAT BUILDS ON ADVANTAGES**

Lead instead of react

Three areas stood out in our interviews. We’ve now covered two: systemic competitiveness and focusing on global success. The third area is a need for leadership.

The strongest statement made by the executives we interviewed is that the region, along with the province, reacts too soon and rarely leads. This region needs leaders to think ahead. Decision makers must choose to pull in a common direction and focus on opportunities that build on this region’s advantages.

Leaders can do more to involve business leaders in decisions. If invited to, executives will help municipalities anticipate resource options and industry needs. Pull in business leaders and invite them to drive cooperation. Facilitate their push for complementary activities across the region.
For this to work, an important issue needs to be addressed: executives don’t trust mayors. The executives we spoke with don’t think mayors understand economic development.\textsuperscript{107} Professional economic developers are kept out of real decisions. They’re relegated to cheerleader roles.\textsuperscript{108}

Councils need to understand the reality of corporate investment windows. Companies, just like the economy, run through cycles. When they’re ready to invest in new facilities, expand operations, or develop new markets, that readiness comes with a best-before date. Executives say that municipal administrations don’t understand this. When a window opens, companies intend to move. When that window begins to close, they make decisions that define their path for the next 20 years. Mayors talked to us about opportunities they’ve lost; executives told us this is one of the main reasons why.

Create the incentive to cooperate

Obviously, there’s a very diverse mix of municipalities in the region. Each place is a different expression of what an energy-focused economy can look like. Some have mixed agriculture and energy-related services. Others are focused on manufacturing. A few pursue a high concentration of high-tech opportunities.

Bringing this mixed group together is part of the leadership challenge discussed in our interviews. Small-town mayors have a lot in common with each other, but they don’t share much with city mayors. Mid-size municipalities are quite different from their small and large neighbours. Counties, for the most part, are in their own category too.

Small towns want to stay small because it has a lot of upsides. Morinville, which is well on its way to being classified as a city, is reluctant to give up its small-town feel. Small places are good for families and comfortable for senior citizens, and offer lots of

\textsuperscript{107} The University of Alberta’s executive leadership program is shifting its focus from finance to decision leadership. It offers management-level courses on public administration. We need to invite the program to build a course for new mayors on economic development and regional design. This is capacity in the region that needs to be leveraged.

\textsuperscript{108} Five economic developers actually identified themselves this way. It can’t stay like this.
options for outdoor recreation. But they struggle to provide jobs for young people, particularly skilled labour. Transit is a chronic problem.

Mid-size municipalities enjoy a mix of rural and urban amenities. All the necessities are close at hand. There are more schools, more doctors, and more jobs. But they struggle with their identity. The industrial components of their economy are often in awkward locations. A transient workforce often means the jobs (and associated tax revenue) are somewhere else.

The larger hubs, and certainly the City of Edmonton, offer a much wider range of amenities. Within them, small communities and boroughs emerge, each with special characteristics that set them apart. But with density comes the challenge of space, and space is in high demand within energy’s supply chain. Sustaining infrastructure responsibilities without a deep industrial foundation is untenable.

Counties are the physical fabric that stitches all these other places together. They provide a social fabric too. Agriculture and forestry are part of their economy, and along with those industries come a different kind of living and a special kind of people. Counties are stewards of the land. But in this role, they struggle to balance rural and urban pressures.

For the most part, these differences were raised as issues that fragment the region. After doing this work, we don’t agree. The problem isn’t the lack of common ground; it’s the lack of incentives. There’s no reward for cooperating. A few places have run one-off experiments, but even the Industrial Heartland (a massive, world-class success) isn’t sustainable among its smaller partners.

We think the OECD’s analysis of Prague’s relationship with the Central Bohemia Region is about as close as it gets to the situation here. There are lots of reasons to cooperate but very few political reasons to do it. Without an economic incentive, a lot of good ideas will be identified but with limited result.

It’s the absence of a mechanism that rewards cooperation that prevents the region from taking advantage of its potential. Abundant opportunities to work together exist. But tangible, bottom-line incentives to do it don’t.
The region needs a mechanism that passes value from a regional level to municipal budgets. All the providers of amenities, services, infrastructure, residential space, and industrial land need to be rewarded if we’re going to see enduring complementary action. To address this gap means tying into a complex, difficult, and time-intensive process. Mayors and corporate leaders need to challenge the grey zone that separates the interests of individual municipalities.

As we’ve said before, this mechanism is the keystone that supports all options for moving forward. The ability to share resources defines the baseline of this region.

Executives and mayors recognize the challenges the region faces if it’s going to cooperate. Fortunately, there are already good examples of places working together. Smaller places like Breton, Warburg, Thorsby, and Calmar are working together to capture infrastructure efficiencies. Parkland County, Spruce Grove, and Stony Plain are seeking ways to complement each other, with the county providing recreation, Spruce Grove developing jobs, and Stony Plain expanding its residential base. The Industrial Heartland is a great example of municipalities working together for shared advantage.

None of these examples are perfectly formed. Each has flaws. All would break at a regional level. But they offer lessons on how we can work together. They are starting points for shared value.

It was clear from our interviews that executives think a regional economic development strategy is necessary. The region needs a high-level picture of how urban areas are going to work with counties. Small municipalities need to see where they fit within the broader pattern of economic development.

Municipalities that want to stay small offer important social value to the region. As we’ve said, senior citizens find these small places very attractive. Honouring these residents, who have done so much to create the region we enjoy today, can be a reason for this region to drive investment into small places.

Edmonton can’t sustain heavy industry, massive fabrication yards, or any other sectors that require lots of space. But it can provide specialized services and applied science and research in addition to the world-class distribution it already hosts.
Strathcona County can deploy its depth of experience in heavy industrial engagement to the advantage of its neighbours, some of which have land better suited to the needs of companies with interests in the region.

Municipalities have lots to offer each other if there’s a reward. But none of the options are sustainable until the region finds a way to redistribute tax base revenue and related resources.

Choose versus facilitate

Mayors regularly told us that their role is to facilitate corporate interests, not direct economic development. We agree – but only if mayors don’t understand economic development. For the mayors and municipalities that have a sophisticated understanding of the economy, we see a proactive role that complements business success.

Within the success of parts of the region (Leduc’s industrial park, the Industrial Heartland, and others) we’ve seen that deliberate action yields a return. From the international examples, we can see that other places enjoy the reward of focused strategies. It’s not enough to facilitate corporate objectives. The region needs to take responsibility for the evolution of its economy instead of being chased by it.

This doesn’t mean pushing through political interests. There’s a big difference between pressing hard for stronger applied research in core areas and posturing for political power. Companies say the provincial and regional interest in upgrading is political and has minimal economic merit. In issues like these, it’s hard to find the line. It takes patience and evidence to establish these kinds of positions. Executives criticized mayors and ministers for pushing too early based on political interests instead of business leadership.

Deliver on infrastructure

Infrastructure is the foundation of this region’s economy, and it will define the region’s future. Dealing with this responsibility in sophisticated and future-relevant ways is the most complex problem the region is facing. The region needs to guide its own decisions and the decisions of the provincial government with clear evidence. It needs to get very good at translating the
evidence into the decisions of the province. From the companies we spoke with, this is the single most important responsibility of municipalities.

**Focus on advancing core engines**

The absence of a regional mechanism for sharing success means we’re wasting opportunities. While we’re distracted with arguments about responsibility for infrastructure, we’re neglecting passing opportunity to invest deeply in the core strengths of this place.

Every example we found of other similarly sized places includes a commitment build on established competitive advantage. None of the examples we found talked about diversification. They talked about focused, deliberate, stacking investments on top of known strengths.

Our strength in energy created vibrant manufacturing, transportation, logistics, and financial sectors. We need to move our resources to options that build on this portfolio of assets. Each of those sectors could build out in infinite ways: clean technologies (for oil and gas production); advanced sensors and instrumentation (for oil and gas production in harsh environments); data mining, artificial intelligence and machine learning for resource optimization; nanotechnology for advanced materials and chemicals; logistics and distribution of modular systems; remote sensing and high-resolution systems management; financial instruments, tailored to mid-size, high-tech manufacturers; and social enterprises that embrace and resolve the shadows of this region’s brilliance.

If this region’s going to remain competitive, it needs to make its strengths the focus of its attention.
CRB Economic Development Summit Report

Motion:
That the Capital Region Board direct CRB administration to implement Option 3 to facilitate collaboration in moving the regional economic development initiative forward.

Options To Consider:

Option 1) That the Capital Region Board maintain status quo.

Option 2) That the Capital Region Board become the lead organization on regional economic development.

Option 3) That the Capital Region Board facilitate collaboration with existing organizations and key stakeholders to develop a member/stakeholder-based non-political entity to expedite framework development, collective marketing, economic development planning, and continuing advocacy; and present their finding to the Regional Services Committee and the Governance, Priorities & Finance Committee.

Option 4) That the Capital Region Board refer the Economic Development Summit report to the Regional Services Committee and the Governance, Priorities & Finance Committee for direction.

On October 3, 2014, the CRB hosted an inaugural regional economic development summit. There were 130 regional stakeholders working together in the same room to explore the current regional context of economic development. Chaired by Mr. Don Lowry, the informative discussion was stimulated by two speakers: Gregg Wassmansdorf, Site Selector, and Jeremy Heigh, Sift Every Thing.

The stakeholders considered three major areas in their discussions:
- What does success look like?
- What are the opportunities and challenges for the Capital Region?
- What actions should take place, who should lead, and what is the role (if any) for CRB?

The CRB Economic Development Summit Report from Western Management Consultants (Attachment A) includes a number of profound statements documenting the day:

“Successful regions have spent the time needed with stakeholders and partners to get on the same page... The payoff to this work, however, has been well worth it...”

“A collective, region-wide marketing plan with one voice, a unified message, speaking to the world about our global competitive advantage, our world scale industrial clusters, our talent, and our quality of life is an opportunity.”

“Strategy, Marketing – We lack a collectively-developed strategy and strategic marketing plan.”

“Situation Challenges – We are fragmented, polarized, diverse municipalities that have not developed a unified and one window collective approach..”
“We have a blank slate and the opportunity to do our first collective marketing RIGHT.”

“...there appeared to be consensus to the four areas that must be pursued – framework development, collective marketing, economic development planning, and continuing advocacy.”

It is clear that regional collaboration is needed. Furthermore, it is important to emphasize that any movement forward by the CRB in economic development will not impact the local autonomy of municipalities or organizations.

WMC’s concluding comments posed a critical question to the Capital Region Board:

“Will the CRB continue to facilitate the process of moving this initiative forward?”

CRB is currently the most appropriate body to collectively represent 24 municipalities within the capital region in a non-biased manner. CRB is also in the best position to facilitate the process of moving the regional economic development initiative forward to continue building momentum. As articulated in the administrative recommendation in Option 3, the focus for the CRB would be to facilitate next steps based on the WMC summit report, which include framework development, collective marketing, economic development planning, and continuing advocacy.

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<td>That the Capital Region Board maintain status quo.</td>
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<td>2</td>
<td>That the Capital Region Board become the lead organization on regional economic development.</td>
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<tr>
<td>3</td>
<td>That the Capital Region Board facilitate collaboration with existing organizations and key stakeholders to develop a member/stakeholder-based non-political entity to expedite framework development, collective marketing, economic development planning, and continuing advocacy; and present their finding to the Regional Services Committee and the Governance, Priorities &amp; Finance Committee.</td>
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<tr>
<td>4</td>
<td>That the Capital Region Board refer the Economic Development Summit report to the Regional Services Committee and the Governance, Priorities &amp; Finance Committee for direction.</td>
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Currently, the Capital Region Board is exploring Terms of Reference for an Economic Development Committee. These Terms of Reference have been left in a standing state until such time direction from the Board is decided. Option 1 will deem the draft TOR redundant; Options 2, 3 and 4 will have the draft TOR amended to reflect the decision of the Board.
CAPITAL REGION BOARD
ECONOMIC DEVELOPMENT SUMMIT
OCTOBER 3, 2014

Summit Report
October, 2014

Prepared by:
Western Management Consultants
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APPENDIX 1: AGENDA

APPENDIX 2: NOTES FROM GREGG WASSMANSORDF

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APPENDIX 4: RESULTS FROM WEB SURVEY OF CRB MEMBER MUNICIPALITIES AND ECONOMIC DEVELOPMENT ASSOCIATIONS

APPENDIX 5: LIST OF PARTICIPANTS
ACKNOWLEDGEMENTS

Capital Region Board and Western Management Consultants would like to acknowledge and thank the many people who contributed to this first Capital Region Board Economic Development Summit.

The participants, some 100 leaders and stakeholders from various organizations in the region, contributed their talent and insight, heard from their peers, and evolved their thinking about how to move forward.

We sincerely thank the many professionals who organized and supported this gathering. While they are named individually in an appendix, we would like to acknowledge their effort here:

- Ministry of Municipal Affairs facilitators who volunteered individually but were supported in doing so by the Ministry. Their assistance was much needed and appreciated.
- Four facilitators, private contractors working under WMC, who expertly and objectively capture table input.
- CRB management and staff who invested heavily in organization, communications, presentation and assisting the facilitation.
- Chris Buerger and her colleagues from LHAS, the meeting planners, who expertly organized and delivered on the meeting logistics.
- Infinity Event Services who provided quality audio visual support.
- Agora room staff and Vicki’s catering for their service and hospitality.
- County staff who manage and operate the Strathcona Community Centre, who consistently offered exceptional service and hospitality to the planning team.

Finally, CRB and WMC would like to sincerely thank and acknowledge Mr. Don Lowry, Meeting Chair, who understood the importance of this meeting to the Capital Region and agreed to invest his substantial insight and leadership experience to make it a success.
EXECUTIVE SUMMARY: OVERVIEW OF OUTCOMES AND COMMENTS

Successful regions have spent the time needed with stakeholders and partners to get on the same page in relation to key characteristics that define them. No region has come to this shared vision, attitude and operational integration easily. It took work and some time to get there.

The payoff to this work, however, has been well worth it for successful regions. The Economic Development Summit gathered the Capital Region’s key stakeholders in economic development in a first, and very significant, effort to hear the voices across the region, and to hear them in the same room at the same time.

Those voices have clearly indicated that regional collaboration is needed and in their views is long overdue. During the Summit there appeared to be consensus in relation to the four areas that must be pursued but fundamental differences in the approach to getting these things in place:

- framework development
- collective marketing
- economic development planning
- ongoing advocacy

Some participants suggested that committing to a timely follow-up to the Economic Development Summit would be a good way to ensure momentum, communication and provincial “check-in” occurs.

Some groups thought that CRB has either a lead role or facilitation role in moving each area forward.

Other groups thought that an independent organization of stakeholders (and Alliance) or a leading agency (EEDC) should take a leadership role in developing coordinated, region-wide economic development and marketing approaches.

Importantly, one thread throughout the discussions referred to the need to build trust, “get the politics out” of trust building and to come together to “focus on reform.”
The next step in this consultation process will be the review of this report by the Capital Region Board. The CRB will determine how it will move matters forward within the CRB organization and with external stakeholders following that review.

The key question the Capital Region Board will need to address in its upcoming meetings is “Will the CRB continue to facilitate the process of moving this initiative forward?
1.0 INTRODUCTION AND BACKGROUND

On October 3, 2014 the Capital Region Board facilitated a meeting of the economic and political leadership in the Capital Region including:

- Municipal Mayors from the 24 member municipalities of the Capital Region Board;
- Municipal Chief Administrative Officers (CAO) of the 24 municipalities;
- Executives of all region Chambers of Commerce;
- Executives of all economic development organizations in the region;
- Economic Development Officers (EDOs) from all municipalities in the region with such a function; and
- Government of Alberta senior members of relevant departments.

In addition to these participants, observers attended from the Winnipeg region, Calgary region, and Newfoundland and Labrador.

The Objective of the session was for the leadership to “discuss economic development in the Capital Region”. Ultimately the results and reporting of these discussions will be addressed at the Capital Region Board. The session agenda can be found in Appendix 1.
1.1 The Consultation Process

Mr. Don Lowry, a distinguished business and community leader in the Capital Region, acted as Meeting Chair for the session. In his opening comments Mr. Lowry underlined the importance of collaboration to business and community success as a main reason he enthusiastically responded to the CRB request for his leadership of this meeting.

Her Worship Mayor Roxanne Carr of Strathcona County welcomed participants to the Agora Room, Strathcona Community Centre encouraging leaders to find common ground for collaboration in the day ahead.

Honourable Don Scott, Minister of Innovation and Advanced Education brought greetings from the Government of Alberta, referring to the integration of regional decision-making with Alberta’s Economic Development Framework.

His Worship Mayor Nolan Crouse, Chair of the Capital Region Board thanked participants for attending, encouraged open dialogue and confirmed that the Capital Region Board would review and consider the results of this day of discussion.

The first plenary speaker, Mr. Gregg Wassmansdorf, Senior Managing Director Consulting, Global Corporate Services, Newmark Grubb Knight Frank provided an expert, objective and outside view of what site selectors look for in a metropolitan destination. He identified the following (Appendix 2):

- 10+1 key characteristics of successful regions;
- His perspective on successful approaches to economic development based on his experience across North America and overseas; and
- His difficulty finding Capital Region economic development information on the web.

Mr. Wassmansdorf arrived in the region on the day prior to the Summit. After touring the region by car, he participated in a familiarization session with a number of regional economic development professionals (Appendix 8).
The second speaker, Mr. Jeremy Heigh of Sift Every Thing Corporation, has been assessing the strategic situation in the Capital Region for some months. His stimulating presentation and comments (Appendix 3) focused his research and observations on:

- The key challenge of skilled labour force acquisition, training and retention in a strong growth region, and the need for policy to prevent the labour issue from driving down productivity;

- The opportunities for specialization, specialized clusters, redundancy and developing resilience in our region, which is globally differentiated by its strong oil and gas economy; and

- The opportunity to create and test a mechanism that succeeds in transferring value from the regional to the municipal level, thereby reducing intra-regional issues.

Kent Stewart of Western Management Consultants presented findings from a web survey of economic development functions and organizations that profiled the many organizations in the region. These organizations command total annual budgets of over $15 million and marketing budgets collectively in the $3 million range. The international airport budget is not included in these figures but would add significantly to the total if it were to be included. In short, many organizations in the region spend significantly on economic development.

Following plenary discussions with each speaker, the remainder of the day was dedicated to participants hearing from each other. Facilitators at each of 14 tables captured the individual and collective thinking of some 100 participants over three “rounds” of input focused as follows:

- Round 1: What are key characteristics of successful regions?
- Round 2: What are the Opportunities and Challenges facing the Capital Region?
- Round 3: What should we act on NOW? Who should lead?

Final wrap up comments were made by CRB Chair Nolan Crouse and Meeting Chair Don Lowry to close this important first gathering of all regional players in one room. Evaluation results following the meeting suggested the session was of value to regional stakeholders.
1.2  Approach to Reporting

This report records the results of the three rounds of facilitated breakout sessions in which some 100 participants addressed the specific questions related to economic development in the Capital Region.

The Western Management Consultants team organized the responses in categories and with headings that appeared appropriate. The team then summarized the key points made by participants within that heading.

Separate background reports capture the verbatim input from each table as well as individual input. They have been forwarded to Capital Region Board management.
2.0 CHARACTERISTICS OF SUCCESSFUL REGIONS

2.1 Our Region – the Word Cloud

Before addressing key success factors, participants spent a few minutes identifying key words associated with our region today. These words were aggregated and produced as a word cloud, below.

The word cloud presents the aggregation of participants’ comments so that bigger point size represents more mentions by participants. The direction and color of the words have no meaning.

The result illustrates a strong focus on a few words, with a much more diverse focus on many words each of which is of lesser importance to the whole group.

The word cloud appears replete with counterpoint. On the one hand, we are a region of tremendous Opportunity. On the other hand, we are Fragmented. We are Diverse, but Disjointed. We have Energy (oil and gas), but we are Challenged by Growth.

![Word Cloud Image]

Our region is competitive and dynamic, but are we also complacent?
This word cloud reflects the thinking of our group at one short snapshot in time. It is food for thought, not the ultimate result of it. The session itself challenged participants to work together to understand the key characteristics of successful regions.

### 2.2 Key Characteristics of Successful Regions

Each participant was asked to describe, in order of importance, three key characteristics of highly successful regions. Results were aggregated for each of the 14 tables. WMC consultants collected and organized responses into the key characteristics of successful regions as follows:

- **Vision/Brand/Strategy/Marketing** – a shared regional vision and brand, a clear and shared strategy and marketing plan;
- **Collaborative/Cooperative** – working together to common goals;
- **Quality Infrastructure** – collectively prioritized and built to meet regional goals;
- **Quality, Skilled Labour Force** – a highly trained, resilient labour force;
- **Quality of Life** – a high quality living environment generating regional pride; and
- **Business Friendly Environment** – open, supportive for business retention and expansion as well as for business attraction.

Following the session, WMC consultants addressed all flip charts and comments in greater detail. Key characteristics of successful regions were described with phrases illustrated in the following clusters.

The individual comments that were ranked from 1-5 based on the “votes” of table participants are identified verbatim in the sections following so that CRB can see the actual comments from flip charts. While there is redundancy in these listings, they reflect the actual words of participants.
2.2.1 Vision, Brand, Strategy and Marketing

The significant characteristics of successful regions based on the top five ranking of the facilitated tables included the following:

- **Vision** – a clear, shared vision reflecting unity of purpose in regional aspirations.

- **Regional Strategic Plan** - Successful regions develop a shared strategy that is long term (20–possibly 80 years), promotes diversification and resilience, and reflects stakeholder alignment.

- **Brand and Marketing Strategy** - Common branding, with a clear value proposition, is also important in successful regions and many would say including the name of the region. Some tables indicated that Greater Edmonton needed to be included in regional branding, as the Capital Region is not differentiated.

- **Marketing** - Associated with a common brand is a unified marketing strategy that promotes the global, regional comparative and competitive advantage.

2.2.2 Collaborative/Cooperative

Successful regions have cooperative partners who collaborate on initiatives to succeed. The second major theme referred to collaboration between all levels and stakeholders in economic development, dimensions of which are summarized below.

- **Trust and Regional Collaboration** - Highly successful regions demonstrate transparency and trust, mutual respect and collaboration from organizations, their leaders and sponsors down to the planners and doers.

- **With other partners** - Successful regions have shared goals with senior government, private sector partners, academic partners and communities, and they cooperate to achieve common ends.
Some participants focused on more detailed and operational aspects of successful regions – coordinated planning and development, trusted “funnel process for opportunities”, and regional integration at operational levels.

2.2.3 Quality Infrastructure

Successful regions have quality infrastructure aimed at supporting regional development (growth readiness). They develop shared goals and action plans to put regional infrastructure in place to support growth. Successful regions are “investment ready”.

- **Growth Readiness** – Infrastructure, planning systems, regulatory environments and transportation networks are in place to support business retention, expansion and attraction. They are ready to attract and support growth.

- **Investment Readiness** – Successful regions welcome investment, are efficient and effective in attracting it, and provide the infrastructure necessary for investors to access markets.

2.2.4 A Quality, Skilled Work Force

Successful regions offer a highly trained, skilled workforce that is big enough to provide resiliency, resulting in a highly competitive economic region.

The workforce is large enough to permit movement within the region; it is a competitive workforce in terms of training, skills, attitudes and productivity. The region and its workforce are large enough and have enough flexibility to adapt to changing conditions. It is resilient.

2.2.5 Quality of Life

Successful economic regions offer a high quality of life for residents who live in the region. Dimensions of a quality lifestyle include security, education, health, culture and an enviable social footprint. In successful regions their residents perceive that they experience a high quality of life.
A second dimension in this area is quality of place, which refers to the connectedness of infrastructure, people, relationship and services to promote interdependence and quality communities.

Successful regions offer a welcoming and high quality region to businesses and families considering relocation to the area.

### 2.2.6 Business Friendly Environment

Successful economic regions are business friendly environments for both businesses operating in the regions and those considering a move. They identify and eliminate policy barriers, they are prepared through interoperability, and they have delineated governance and operations. They are flexible, accommodating, prepared, and they have removed policy barriers to accommodating business.

Successful regions have site selection protocols that apply regionally. They have one stop/window access, and they can produce an asset map for the region. Processes are streamlined and efficient across the whole region.

### 2.2.7 Other Patterns Among Key Characteristics

WMC consultants observed some other key characteristics of successful regions as they reviewed the written results in the flip charts.

Benefit and cost sharing is evident in some successful regions. Risk sharing is evident in some sophisticated regions.

Common values and attitudes are an indicator in successful regions. Attitudes toward new development and growth, the value “that if one wins we all win”, and a general “can do” attitude is common in successful regions.
2.3 Summary and Conclusion

Successful regions have spent the time needed with stakeholders and partners to get on the same page in relation to the matters listed above. No region came to this shared vision, attitude and operational integration easily. They worked at it for some time to get there.

The payoff to this work, however, has been well worth it for successful regions.
3.0 The Capital Region: Opportunities and Challenges

Having given some consideration to key characteristics of successful regions in discussion with their colleagues in the first round, participants were asked to turn their minds toward opportunities and challenges in the Capital Region.

In the second round of facilitated table breakouts, individual participants were asked to identify what they thought were the three greatest opportunities and the three greatest challenges for the Capital Region. Participants worked alone initially, and then discussed with their groups and ultimately came to a group result in terms of these priorities. In the following sections, the top five responses logged on flip charts are summarized in sections defined by the consultants.

As research support to this group the WMC consultants provided the responses from the web survey to the questions concerning opportunities and challenges. These responses are reproduced in Appendix 4.

3.1 Opportunities for the Capital Region

Opportunities for the Capital Region abound, in the view of participants. WMC consultants categorized responses in the groupings below.

3.1.1 Cooperation and Collaboration

The opportunity to improve regional collaboration was viewed as most significant. Dimensions of this theme include:

- Improving trust, good will, building understanding, and ultimately improving political alignment by spending more time together talking about issues and opportunities, and collaborative solutions.

- The opportunity for professionals to take a leading role, but working together to promote clustering, diversity, leveraging our strengths (education institutions) common economic development practices and policies, and open and welcoming (best practices) business access across the region.

- Increase bilateral as well as multilateral collaboration.
3.1.2 Branding, Strategic Planning, Marketing

Opportunities to work together to reshape the face of the Capital Region that we present to the world were top of mind, with participants addressing the linked concepts of Brand, Strategy and Marketing:

- **Regional Brand** – Reshape the perception of our region by working on a compelling brand/identity that could include winter city/northern hub positioning.

- **Strategy** – Opportunity to build an integrated regional strategy with unified goals, clear priorities, leveraging our strengths and economic position, building value-added and diversity, and fostering our entrepreneurial strength.

- **Marketing** – A collective, region-wide marketing plan with one voice, a unified message, speaking to the world about our global competitive advantage, our world scale industrial clusters, our talent, and our quality of life is an opportunity. Promoting value-added in all sectors, leveraging our natural and human resources, and building redundancy and resiliency on an already strong economy would be focus areas for marketing.

- **Sectorial Successes and Strengths** - A number of comments focused on particular sectorial strengths or successes, tied to marketing opportunities – expanding food exports and security, industrial diversity (agriculture, energy, forestry, medical research) were focus areas.

3.1.3 Labour Force, Talent, Innovation

Participants focused on opportunities to leverage talent to create opportunity:

Our region can leverage our institutional base, our young population, and our entrepreneurial and intellectual capital to promote opportunity for business growth, expand our export reach, and increase our success with innovation.

3.1.4 Infrastructure
The opportunity to improve our infrastructure “readiness” was not lost on participants. By collectively addressing our capacity for growth – in land, abundant resources, water, education, and people/workforce – we can increase our attractiveness to business and immigrants.

We can leverage YEG, transportation infrastructure, our energy cluster, by coordinating land use and economic development to attract and serve business.

We can build infrastructure such as Aerotropolis, core transportation/logistics, and appropriate housing to help position our region to attract talent, business and to succeed as a global exporter.

### 3.1.5 Quality of Life

Participants recognized opportunities to position our region for its cultural richness its high quality education, health care, housing options and open spaces. We can leverage this advantage to attract immigration and growth. We can also foster the influence of our younger population (median 34 yrs.) on regional decision-making going forward.

### 3.2 Challenges for the Capital Region

It is evident that many of the challenges facing the Capital Region, in the view of participants, are counterpoint to the opportunities. The matrix following this section juxtaposes opportunities and challenges, highlighting specific bullet points developed at the table facilitation.

Flip chart results summarized by WMC consultants were organized in the categories suggested by the headings that follow.

#### 3.2.1 Vision, Brand, Strategy, Marketing

- **Vision and Brand** - Lack of clear regional vision and brand limits progress as a region. We are challenged by our reputation in some circles as a cold region that does not value the environment.
- **Strategy, Marketing** – We lack a collectively-developed strategy and strategic marketing plan.
3.2.2 Regional Cooperation

Participants had much to say about the challenges in regional cooperation. Comments have been organized by categories based on attribution by participants.

- **Situational Challenges** - We are fragmented, polarized, diverse municipalities that have not developed a unified, one window, collective approach. Our regional governance is complex, with fragmented and autonomous services and infrastructure. We do not have basic elements such as shared land inventory in place.

- **Behavioural Challenges** – Municipal buy-in is not in place; we lack leadership and trust and local ambitions trump collaboration; protectionism does not move us forward. Lack of trust and respect among stakeholders, complacency and entitlement across the region holds us back. There appears to be little political will to change yet there is a commanding economic need to do so.

- **Political and Shareholder Challenges** – Lack of leadership by the province and within the region hinders economic development, and politicians cannot seem to get over this hurdle. Political interference with economic decisions is common. Provincial inertia, bureaucracy/red tape, and lack of incentives are competitive disadvantages. Lack of a revenue/expense sharing model across the region is also a challenge.

In addition to the above, shareholder issues were identified as limitations on moving forward:

- The Legislative framework and existing relationships make it difficult to enable a shared vision and invest in it

- Inequity of revenue from taxes across the region

- 'Shotgun wedding' bringing together planning and complex governance

- Lack of an equal voice for all shareholders

- Inequitable cost/benefit sharing and boundary issues
• No common business license for region

➢ **Social Challenges** – Social challenges focused on sustainability, cultural resistance in relation to economic turf, the concept of convincing the “haves” to give to the “have nots”, and educating urbanites on the realities of rural needs and vice versa.

### 3.2.3 Economic Challenges

A number of challenges appeared to be primarily related to our economic situation in the region:

➢ **Market Access Challenge** - Lack of infrastructure, mobility of product, land locked, and access to foreign market: the challenge of getting product to market. This limits our ability to grow.

➢ **Competitiveness Challenge** - High cost of labour and labour shortage, lack of innovation, lack of diversification and value-added, inability to act quickly, not cost competitive is a challenge to our competitive capacity.

➢ **Global Competition** - Some global competitors are more sophisticated, larger city-states, and more aggressive.

➢ **Innovation Challenge** - Our resource dependency: lack of willingness to move things up the value chain, lack of innovation for future; the need to focus on diversification, building on strengths and value-added.

➢ **Environmental Challenge** - Environmental issues (Brownfields) and lack of funding in the region; Social license issues for oil sands, fracking shale/oil/gas; the challenge of overcoming the perceived environmental concerns of energy development; the environmental impact on land use, and competing interests for land is a challenge for good environmental management.

### 3.2.4 Infrastructure Challenges

A concern running through many discussions was the lack of sufficient focus on our infrastructure keeping up with the demand in our region. A key concern that we are
falling behind on core infrastructure (roads, power, water, etc.) and that our decision framework does not clarify needs and risk was evident at many tables.

Lack of predictable, sustainable long term funding based on long term planning was a concern. Affected were roads, power, water, sewer, bridges, schools and market-affordable housing. Run-down industrial areas impact our image as a prosperous and modern region.

The lack of collaborative regional planning with strong citizen engagement impacts our ability to bring core infrastructure to our region.

### 3.2.5 Workforce Challenges

Ensuring that we have a relevant and competent workforce that meets the needs and demands of industry is a key challenge. We need to focus on training and educating our youth to become our future workforce. We need to apply a specific focus to attracting talent, skilled labour and human capital. We need to address the temporary foreign worker (TFW) policy challenge, and our own “right” not to work that is a challenge in our population.
3.2.6 Matrix of Table Input

The table following incorporates the specific “bullets” developed at the table level during the session. It reflects the “top five” rankings from the fourteen tables, and it provides specific support and examples for the findings noted in this opportunities and challenges chapter.

<table>
<thead>
<tr>
<th>Opportunities</th>
<th>Challenges</th>
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<tbody>
<tr>
<td>Cooperation and Collaboration</td>
<td>Regional Collaboration</td>
</tr>
<tr>
<td>➢ To improve good will between partners by coming together regionally to cooperate, thereby improving the potential for success by all partners</td>
<td>Situation Challenges</td>
</tr>
<tr>
<td>➢ To build a critical mass of interest and understanding to find solutions together</td>
<td>➢ The challenge of achieving a unified/the window approach in economic development</td>
</tr>
<tr>
<td>➢ To capitalize on the opportunity the Province is giving CRB to create political alignment and lead economic development, and thereby to improve political stability and will at both the local and the provincial levels</td>
<td>➢ Larger region with complex governance, fragmented services and infrastructure, and the element of choice by participants</td>
</tr>
<tr>
<td>➢ To support and build a diverse, inclusive and collaborative business community</td>
<td>➢ Collaboration between municipalities, Government of Alberta, federal government, and industries is a major challenge</td>
</tr>
<tr>
<td>➢ To collectively promote global choice and opportunity at the community level</td>
<td>➢ Lack of common, shared land inventory and use</td>
</tr>
<tr>
<td>➢ To adapt best practices in economic development for the whole region</td>
<td>Behaviour</td>
</tr>
<tr>
<td>➢ Opportunity for experts in the field to take a lead role in economic development, fostering more efficient utilization of resources</td>
<td>➢ Lack of cooperation, too much territoriality by individual municipalities.</td>
</tr>
<tr>
<td>➢ To work together regionally to create or build partnerships to foster cluster development, natural resource development, and tourism development, mobilizing available funding to this end</td>
<td>➢ Lack of trust and respect among stakeholders across the region holding us back; local ambitions trump collaborative regional action and success</td>
</tr>
<tr>
<td>➢ To build on strengths, engage and leverage our educational institutions</td>
<td>➢ Complacency and entitlement is holding us back; there appears to be little political will to change yet there is a commanding economic need to do so</td>
</tr>
<tr>
<td>➢ To increase collaboration between two or more municipalities through supportive partners across the region</td>
<td>Political and Shareholder Challenges</td>
</tr>
<tr>
<td></td>
<td>➢ Challenging for CRB to work collaboratively when the government mandate does not specify economic development</td>
</tr>
<tr>
<td></td>
<td>➢ Lack of leadership; Province absent</td>
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<td></td>
<td>➢ Political interference with (economic) decision making, and in economic development activities beyond the strategic level</td>
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<tr>
<td></td>
<td>➢ Too much government (at the fourth level) this includes bureaucracy/red tape/regulatory hurdles (government regulations)</td>
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<td></td>
<td>➢ Financial and resourcing challenge - education, health, infrastructure, and</td>
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Western Management Consultants
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<thead>
<tr>
<th>Opportunities</th>
<th>Challenges</th>
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<tbody>
<tr>
<td></td>
<td>marketing funding at the regional level are required to succeed</td>
</tr>
<tr>
<td></td>
<td>▶ Lack of incentives (financial and non-financial) and revenue/expense</td>
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<tr>
<td></td>
<td>sharing across region</td>
</tr>
<tr>
<td></td>
<td>▶ Inequity of: revenue from taxes across the region; and, cost/benefit</td>
</tr>
<tr>
<td></td>
<td>sharing and boundary issue</td>
</tr>
<tr>
<td></td>
<td>▶ The challenge of addressing individual municipality sustainability and not</td>
</tr>
<tr>
<td></td>
<td>artificial revenue with life jackets</td>
</tr>
<tr>
<td></td>
<td>▶ The Legislative framework and existing relationships make it difficult</td>
</tr>
<tr>
<td></td>
<td>to enable a shared vision and invest in it</td>
</tr>
<tr>
<td></td>
<td>▶ 'Shotgun wedding' bringing together planning and complex governance;</td>
</tr>
<tr>
<td></td>
<td>▶ Lack of an equal voice for all shareholders</td>
</tr>
<tr>
<td></td>
<td>▶ No common business license for region</td>
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<tr>
<td>Social</td>
<td></td>
</tr>
<tr>
<td></td>
<td>▶ Sustainability: the need to convince the 'haves' to give to the 'have</td>
</tr>
<tr>
<td></td>
<td>not’s’</td>
</tr>
<tr>
<td></td>
<td>▶ Social/cultural resistance (push back) in relation to economic turf</td>
</tr>
<tr>
<td></td>
<td>▶ Educating urbanites on realities of rural needs and vice versa</td>
</tr>
<tr>
<td></td>
<td>▶ Current land use planning (social license), perception we are not green</td>
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</tbody>
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<table>
<thead>
<tr>
<th>Branding, Strategic Planning and Marketing</th>
<th>Vision, Brand, Strategy and Marketing</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Regional Brand</strong></td>
<td></td>
</tr>
<tr>
<td>▶ We have an opportunity to reshape the perception of our region in key</td>
<td><strong>Vision</strong></td>
</tr>
<tr>
<td>markets and the Canadian imagination (and within the region), changing</td>
<td>▶ Lack of clear regional vision and provincial leadership / alignment</td>
</tr>
<tr>
<td>our story</td>
<td></td>
</tr>
<tr>
<td>▶ We have a blank slate to develop brand/identity, and our current</td>
<td><strong>Brand</strong></td>
</tr>
<tr>
<td>prosperity creates the ability to leverage brand into global markets; such</td>
<td>▶ Lack of defined regional brand; a fragmented and weak brand</td>
</tr>
<tr>
<td>as a Winter City brand and to build a reputation as a great winter city;</td>
<td>▶ Challenge of existing reputation: cold region, we do not value the</td>
</tr>
<tr>
<td>we are a major northern hub of global significance</td>
<td>environment</td>
</tr>
<tr>
<td><strong>Strategy</strong></td>
<td></td>
</tr>
<tr>
<td>▶ Build a strategic plan and execute it. This tool provides the ability to</td>
<td><strong>Strategy, Marketing</strong></td>
</tr>
<tr>
<td>create a direction of where we are going and how we are going to get there</td>
<td>▶ Lack of effective marketing</td>
</tr>
<tr>
<td>with public, private, utility, and academic sectors.</td>
<td></td>
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October 2014  Report of the CRB Economic Development Summit

Western Management Consultants
<table>
<thead>
<tr>
<th>Opportunities</th>
<th>Challenges</th>
</tr>
</thead>
<tbody>
<tr>
<td>today, such as Alberta resources, land, space, population growth and service areas; and, takes leverages this position by acting now</td>
<td></td>
</tr>
<tr>
<td>➢ Capitalize on the small business and entrepreneurial strengths of our region by leveraging them into global markets</td>
<td></td>
</tr>
<tr>
<td>➢ Plan strategy timing so that it maximizes the opportunities of the municipal election phasing</td>
<td></td>
</tr>
</tbody>
</table>

**Marketing**

➢ We have a blank slate and the opportunity to do our first collective marketing RIGHT
➢ United on all fronts, we market our region globally with one voice, a unified message celebrating the comparative advantages of our region and its special parts
➢ Market globally to attract world scale industries and businesses, focused on the business advantages our region has to offer. Position our region as a global player / hub, with global access to markets, and with strong economic growth; and, opportunity to diversify economically, culturally and from talent perspective by leveraging our preferred position in oil and gas
➢ Promote value added in all sectors and by leveraging our fortuitous regional situation with substantial financial and natural resources, energy, strong economic growth, exciting developments
➢ Position to meet global growth in demand for health, education, agriculture

**Sectoral Successes and Strengths**

➢ Promote, protect and expand agriculture, food export / food security, energy and forestry industries, and oil/gas manufacturing (and other sectors) expertise
➢ Diversity of industries, especially agriculture and geographic location
➢ Leverage our strength in medical research

<table>
<thead>
<tr>
<th>Labour Force, Talent and Innovation</th>
<th>Workforce Challenges</th>
</tr>
</thead>
</table>

October 2014   Report of the CRB Economic Development Summit

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<table>
<thead>
<tr>
<th><strong>Opportunities</strong></th>
<th><strong>Challenges</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>We are a young population (median 34) who came here for the opportunity and don’t recognize boundaries; leverage that and promote the affordability and young demographic to attract talent</td>
<td>The challenge of ensuring that we have a relevant and competent workforce that meets the needs and demands of the workforce and future industry and an education system to support it and keep youth here and educated</td>
</tr>
<tr>
<td>Leverage institutional base to operationalize innovation/R+D component</td>
<td>Attracting and retaining talent beyond the oil and gas sector is a challenge, the “crowding out” effect</td>
</tr>
<tr>
<td>Train the labour force using all existing educational resources; monetize intellectual capital from our post-secondary system; build on our intellectual capacity by creating or expanding centres of excellence; foster an increasingly creative and entrepreneurial community</td>
<td>The temporary foreign worker challenge</td>
</tr>
<tr>
<td>Leveraging our current strengths and existing technological ability when diversifying; we are world leaders in some areas research and innovation (i.e., health care). Our economy is in good shape for investment in innovation</td>
<td>The &quot;right&quot; not to work challenge</td>
</tr>
<tr>
<td>Expand and export our expertise</td>
<td>The challenge of inaccurate unemployment rates</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Infrastructure</strong></th>
<th><strong>Infrastructure Challenges</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Opportunity to realize our capacity for growth - land, abundant resources, water, sewer, schools and people</td>
<td>Lack of sufficient infrastructure; region is falling behind in major infrastructure categories (roads, power, water etc.)</td>
</tr>
<tr>
<td>To capitalize on the fact that we are well positioned globally for exports - EIA, YEG, transportation/logistics hub, energy related activities (the cluster)</td>
<td>Lack of access to decision dependent information impacts clarity of risk assessments and therefore quality of decisions</td>
</tr>
<tr>
<td>To advance infrastructure/ transportation plan on regional level</td>
<td>Funding for infrastructure is not keeping pace with industry growth and planning, e.g.: bridge construction and maintenance</td>
</tr>
<tr>
<td>To coordinate land use - planning from an economic development standpoint</td>
<td>Lack of predictable, sustained funding from provincial and federal sources (ex: transit)</td>
</tr>
<tr>
<td>Opportunity to realize better coordination:</td>
<td>Lack of market affordable housing is an entry barrier and social barrier - compounded by school infrastructure, social inclusion issues - impacts immigrants</td>
</tr>
<tr>
<td>• To expedite infrastructure through building Canada</td>
<td>Run down industrial areas impact our image as a region</td>
</tr>
<tr>
<td>• To build Aerotropolis development</td>
<td>The challenge of conducting collaborative, regional planning, planning for affordable housing, for transit, or for business attraction and development in an environment of strong Citizen engagement impacts our ability to bring core infrastructure to the region</td>
</tr>
<tr>
<td>• To provide Suitable and appropriate housing</td>
<td></td>
</tr>
<tr>
<td>• To capitalize on resource availability</td>
<td></td>
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</tbody>
</table>

**Quality of Life**

**Economic Challenges**

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October 2014  Report of the CRB Economic Development Summit

Western Management Consultants
**Opportunities**

- Provide lifestyle choices - education, health care, housing options, open spaces
- Build to expand our regional/cultural richness of life
- To leverage our population growth and immigration; for example foster the ability of our 18-36 year olds ability to make and influence their community

**Challenges**

**Market Access Challenge**

- Lack of infrastructure, mobility of product, land locked, and access to foreign market: the challenge of getting product to market. This limits our ability to grow

**Competitiveness Challenge**

- High cost of labour and labour shortage, lack of innovation, lack of diversification and value-added, inability to act quickly, not cost competitive is a challenge to our competitive capacity

**Global Competition**

- Some global competitors are more sophisticated, larger city-states, and more aggressive

**Innovation Challenge**

- Our resource dependency: lack of willingness to move things up the value chain, lack of innovation for future; the need to focus on diversification, building on strengths and value-added

**Environmental Challenge**

- Environmental issues (Brownfields) and lack of funding in the region; social license issues for oil sands, fracking shale/oil/gas; the challenge of overcoming the perceived environmental concerns of energy development; the environmental impact on land use, and competing interests for land is a challenge for good environmental management
4.0 RECOMMENDED ACTIONS

The third question addressed at breakout tables was “What should we act on NOW? Responses to this question were enthusiastic. Collectively the recommended actions focused on four areas.

- A Regional Framework for Economic Development
- Marketing the Capital Region
- A Capital Region Economic Development Plan
- Continuing Advocacy for the Capital Region

These four areas are addressed below. However, a thread throughout the other work bears discussion. A number of comments referred to the need to build trust, “get the politics out” of trust building and to come together to “focus on reform.” Participants were sensitive to the need to spend significant time in the region invested in trust building activity.

The building of trust would, in the eyes of some respondents, lay the foundation for municipal commitment to joint economic development. It would pave the way to establishing joint actions, individual accountabilities and commitments, and ultimately understanding consequences.

Some participants suggested that committing to a timely follow up to the Economic Development Summit as a good way to ensure momentum, communication and provincial “check-in” occurs.

4.1 A Regional Framework for Economic Development

There appeared to be significant agreement across 14 tables that a framework for regional economic development must be evolved. Some tables advised to move forward aggressively, while others advised a more careful and cautious approach to seeing agreement. Input has been grouped into categories by the consulting team.

4.1.1 Gaining Consensus

Many thought we can begin by continuing dialogue until we gain consensus on what should be done and who should be involved. Finding a champion to lead the
process, and engaging elected officials and industry in a process of consensus development is a critical first step.

4.1.2 Agree on a Framework

Once basic agreement is reached, stakeholders need to develop a framework to guide economic development:


- **Suggested Organization Solutions** - Some tables jumped straight to suggested solutions to the organization question – from a new not-for-profit agency independent of municipalities, to empowering GEEDT or EEDC to act for the region, to an alliance of key stakeholders, to creating a Part 9 company – the range of these solutions underscores the fact that there is not a regional consensus in this area.
4.2 A Collaborative Regional Marketing Approach

A significant percentage of participants thought that the region is more than ready to move toward collective branding and marketing. Suggested steps included collectively establishing a long term vision, a brand identity, marketing goal, objectives and tactics, a joint selling approach, investor packages, and a one window access approach. Underpinning this marketing approach is the necessary common and document asset inventory continually updated regionally.

4.3 A Capital Region (Strategic) Economic Development Plan

Many participants thought that the development of an economic development plan or strategy was timely. Many also emphasized that such a plan could build on Capitalize and Alberta’s Economic Development Framework as well as plans prepared by some of the strong economic development organizations in the region. It is not necessary to start from scratch they would argue. Stages of the process would include:

- **Preparing for Planning** – a comprehensive regional asset mapping is a necessary first step, resulting in prioritized infrastructure resources and cluster areas all mapped on a GIS base (eg ZoomProspector).

- **The Economic Development (Strategy) Plan** - The governance structure (sic as developed by the partners) should work on the strategic plan for the Greater Edmonton Region (GER), with the collaboration of municipalities, Government of Alberta, and federal government. Leverage the studies and data already compiled to develop a regional economic development model: Capitalize, GEEDT white paper, Sift Every Thing studies, Alberta’s Economic Development Framework and best practice research. Address workforce, education, facilitating legislation, and coordinated land use (clusters).

- **Specific Advice on Focus Areas and Detailed Strategies** – participants identified human capital, talent attraction, infrastructure planning (and building), value added actions in agriculture and Aerotropolis and environmental planning as specific areas for attention and more detailed strategies.
- **Funding for Startup** - Some groups addressed the need for startup funding for this initiative, suggesting plans for cost/revenue sharing and a funding model for economic development activity should be part of the planning process.

### 4.4 Continuing Advocacy for the Capital Region

Finally, some groups focused attention on the need for continued advocacy, primarily focused on the Government of Alberta, to ensure ongoing support for the initiatives and activities that support Alberta’s Capital Region. A unified stand by CRB members and stakeholders, continued advocacy for Provincial involvement and partnership, and advocacy encouraging support for move value-added investment was recommended.

Other suggestions included redefining the number of municipal members of CRB and advocacy to create a separate, non-political regional entity.

### 4.5 Who Should Lead?

The final questions put to participants in relation to the major actions above were “Who should Lead”, and the corollary question “What is the role of CRB”? Responses to these questions varied significantly and are therefore considered in some detail following.

#### 4.5.1 A Regional Framework for Economic Development

While some tables suggested CRB should lead in this area by creating a subcommittee to address detail, other tables had other ideas:

- An Alliance of key stakeholders should be organized by CRB and then given independent mandate to act; and

- Municipal Governments in the region should organize independent of CRB to work on the framework for economic development.
4.5.2 Marketing the Capital Region

Some tables thought that CRB and GEEDT should collaborate to address regional marketing. Others thought a subcommittee of CRB could do this job. Other tables suggested that a new, private sector organization should lead in this area, perhaps a member/stakeholder-based entity. Finally, others felt that Edmonton Economic Development Corporation was the organization equipped to lead regional marketing.

4.5.3 A Capital Region Economic Development Plan

While many agreed that a comprehensive, regional economic development plan was needed, there were a number of suggestions relative to the leadership of that plan:

- Municipal economic development professionals collaborate to prepare a regional plan.

- A coalition is formed to undertake this work, specifically:

  “Coalition of industry, province, municipalities; Needs mandate, scope, and time frame; Need representation from each stakeholder: public leaders and industry leaders; Provincial involvement should be enabling and not directing; Provide funding based on collaborative action; Needs to be done with engagement, ownership, and empowerment of the stakeholders”

- CRB aligns and collaborates with provincial ministries to prepare this plan.

- CRB creates a task force to prepare the plan.

4.5.4 Continuing Advocacy for the Capital Region

Tables suggesting continued advocacy agreed that there was a lead role for CRB to play in this initiative. It is understood that all stakeholders are in the advocacy business for the Capital Region.
4.6 Concluding Comments

In relation to suggested actions, there appeared to be consensus in relation to the four areas that must be pursued – framework development, collective marketing, economic development planning, and continuing advocacy. However there appeared to be fundamental differences in the approach to getting these things in place.

Some groups thought that CRB has either a lead role or facilitation role in moving each area forward. Other groups thought that an independent organization of stakeholders (and Alliance) or a leading agency (EEDC) should take a leadership role in developing coordinated, region-wide economic development and marketing approaches.

The next steps in this consultation process will be the review of this report by the Capital Region Board. The CRB will determine how it will move matters forward within the CRB organization and with external stakeholders following that review.

This gathering of key stakeholders in economic development was a first, and very significant, effort to hear the voices across the region and to hear them in the same room at the same time.

Those voices have clearly indicated that regional collaboration is needed and in their view is long overdue.

Those same voices have said that a regional framework for economic development is needed, and that a collective marketing plan and economic development plan should be prepared and executed.

The key question the Capital Region Board will need to address in its upcoming meetings is “Will the CRB continue to facilitate the process of moving this initiative forward?”
APPENDIX 1: AGENDA
AGENDA

7:00 a.m. – Hot Breakfast and Networking

7:45 a.m. – Opening Session

➤ Agenda and comments: Mr. Don Lowry, Meeting Chair

➤ Welcome: Mayor Roxanne Carr, Strathcona County

➤ Message from Government of Alberta: Hon. Don Scott, Minister of Innovation and Advanced Education

➤ Message from the CRB – Mayor Nolan Crouse, CRB Chair

8:15 a.m. – Speaker: Mr. Gregg Wassmansdorf, Senior Managing Director Consulting, Global Corporate Services, Newmark Grubb Knight Frank

➤ Critical Success factors in economic development

9:30 a.m. – Break

10:00 a.m. – Speaker: Mr. Jeremy Heigh, Principal, Sift Every Thing Corporation

➤ Strategic Assessment: The Capital Region

11:00 a.m. – Breakouts Round One: What Would Success Look Like?

➤ Facilitated discussions: key success factors for economic development for our region
CRB Economic Development Summit
October 3, 2014  AGENDA

11:45 a.m. – Lunch
  ➢ Presentation of session results at 12:15 p.m.

12:30 p.m. – Breakouts Round Two: Opportunities and Challenges
  ➢ Facilitated discussions building on content of previous session

2:00 p.m. – Break

2:15 p.m. – Breakouts Round Three: Actions, Leadership, and Roles
  ➢ Facilitated discussions addressing three questions

3:30 p.m. – Next Steps
  ➢ Results of final breakout
  ➢ Comments by CRB Chair

3:50 p.m. – Adjourn
  ➢ Comments by Meeting Chair Don Lowry
APPENDIX 2:

NOTES FROM GREGG WASSMANSDORF
KEY SUCCESS FACTORS IN REGIONAL ECONOMIC DEVELOPMENT

As suggested by Gregg Wassmansdorf: “Top 10+1 Factors for Successful Regional Economic Development”

What makes a metro region successful? – Some of the most compelling site selection and economic development factors today.

1. Business-friendly, supportive environment (lower taxes; “reasonable” regulatory environment).
2. Sizeable, well-skilled workforce.
3. Variety of good quality academic institutions that provide and produce different skills and talent.
4. Excellent transportation connectivity.
5. Affordable costs of business and living.
8. Infrastructure availability and ability to bring capacity to market.
10. Quality of place (quality healthcare, entertainment, shopping, safety, amenities, etc.).
11. A regional approach to solving problems and delivering services.
What does a successful approach to regional economic development look like?

1. Unified marketing brand for the region.

2. “One window” – a single, regional point of contact for inbound inquiries with excellent project management capabilities for coordination of information gathering and tour activity.

3. Excellent collaboration between state/provincial and regional representatives.

4. Excellent collaboration between regional leadership and local stakeholders.

5. Robust “Public – Utility – Private – Academic” collaborations and/or formal partnerships that are well-funded and functional.

6. Comprehensive, easy to navigate website that is rich with high-quality, current data (especially labour market information).

7. Professional economic development staff who can speak with a high-level of business and technical knowledge.

8. Regional and local partners that know their strengths and weaknesses; can articulate them clearly; know when they should step forward or take a step back.

9. Wide variety of serviced and available buildings and sites (private or public).

10. Regular, ongoing, focused, and compelling marketing to site selectors and business influencers – plus a savvy social media presence.

11. Community “Ambassadors” who will provide support to marketing and due diligence efforts through interviews, media events, etc.
APPENDIX 3: NOTES FROM JEREMY HEIGH
STRATEGIC ASSESSMENT: THE CAPITAL REGION

By Jeremy Heigh – Sift Every Thing Corporation

1. Historical Bets, Evolving Future

➢ Does a “take what you get” strategy prepare our region for the future?

➢ Companies seek sub-regional specialization … does our region supply the information, policy and planning clarity they need to make good decisions?

2. Resilience and Global Competitiveness

➢ How can we best specialize within the region to support trade and fortify our global relevance?

➢ Does building resilience (vs. diversification) change the path forward? Which regional redundancies are essential? In which ways can we specialize, as members of the region, to enhance global competitiveness?

3. Cooperative Mechanism

➢ So far, what has been done to bring companies together to cooperate in land use planning? How have we integrated our infrastructure investments? Of this what works well?

➢ There is no mechanism that transfers value from a regional level to a municipal level. Do we need one? Are there good reasons not to do this?
APPENDIX 4:

RESULTS FROM WEB SURVEY OF CRB MEMBER MUNICIPALITIES AND ECONOMIC DEVELOPMENT ASSOCIATIONS
Results from Web Survey of CRB Member Municipalities and Economic Development Associations

The web survey was conducted by WMC in September and 21 of 24 organizations responded to it. The (brackets) identify the number of times the item was mentioned by respondents.

Three Most Important Issues in Economic Development

- Regional cooperation not competition needed (16)
- Shortage of skilled workers (8)
- Joint and consistent marketing and branding to the world needed (5)
- Lacking service diversity beyond oil and gas (4)
- High cost environment for infrastructure (4)
- Identification of what we need to concentrate on needed – lack of clearly articulated goals and objectives (4)
- Small municipalities lack funds to attract new businesses and lose industrial growth to larger rural municipalities (3)
- Adequate transportation infrastructure (3)
- Lack of coordinated market intelligence (3)
- Attract new businesses (2)
- Consistent site location information (2)
- Land availability (2)
- Competition from other regions/global competitiveness (2)
- Fair distribution of benefits from industrial development (2)
- Specialize different parts of the region in a specific sector (2)
- Expand the size and role of EIA (2)
- Housing (2)
- Inter municipal boundary rationalizations (2)
- Sub-regional cooperation
- More attention should be paid to the GEEDT group rather than have this under CRB
- Consistent funding of economic development programs
- Political influence hinders Economic Development
- Public Transit needed
Failure to stay ahead of market forces
Don’t want regional model to replace local economic development
Help rural communities prepare for development
Recognizing the benefits accrued to the region from economic development
Understanding the strengths and contributions of the various agencies and groups involved

Three Highest Priorities We Should Address Collectively

Fund global geographical awareness marketing for the capital region to market that we are open for business (12)
Collaboration – work together as a team on regional economic development by leveraging our opportunities (12)
Transportation infrastructure investment in industrial areas (10)
Work with Provincial and Federal levels of government for programs and opportunities and influence government policy to support economic growth and promote the Capital Region (6)
Identify the next big industry for the Capital Region and go after it (5)
Labour attraction (4)
Develop and share comprehensive market intelligence (4)
Recognition that regional economic development groups such as GEEDT require funding to successfully promote and market the region (3)
Address housing shortages (2)
Share information about prospects (2)
Support for oil and gas development (2)
Work in conjunction with smaller municipalities
Recreation
Redefine and redraw the municipal boundaries
Regional information package
Distribute wealth in an equitable manner between rural and urban communities
Economic development outside the major centres
Regional recognition of employment drivers
Regional tourism
Get rid of Edmonton veto
Determine what long term objectives look like
Regional recognition of industry innovations and fostering them
Build trust within the participating communities
➤ Ensure appropriate diversity of land types
➤ Ensure the region first, benefits from economic development initiatives
➤ Communicate and recognize where the leadership is that can be best applied to successful economic development outcomes
APPENDIX 5: LIST OF PARTICIPANTS
<table>
<thead>
<tr>
<th>Name</th>
<th>Affiliation</th>
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<tbody>
<tr>
<td>Milad Asdaghi</td>
<td>Town of Devon</td>
</tr>
<tr>
<td>Barry Bailey</td>
<td>St. Alberta &amp; District Chamber of Commerce</td>
</tr>
<tr>
<td>Todd Banks</td>
<td>Sherwood Park &amp; District Chamber of Commerce</td>
</tr>
<tr>
<td>Joan Barber</td>
<td>City of St. Albert</td>
</tr>
<tr>
<td>Kathy Barnhart</td>
<td>Town of Beaumont</td>
</tr>
<tr>
<td>Michael Becher</td>
<td>Sherwood Park &amp; District Chamber of Commerce</td>
</tr>
<tr>
<td>Paul Benedetto</td>
<td>City of Leduc</td>
</tr>
<tr>
<td>Camille Berube</td>
<td>Town of Beaumont</td>
</tr>
<tr>
<td>Josh Bilyk</td>
<td>Alberta Enterprise Group</td>
</tr>
<tr>
<td>Bill Blais</td>
<td>Edmonton Chamber of Commerce</td>
</tr>
<tr>
<td>Teri Lynn Bougie</td>
<td>Sherwood Park &amp; District Chamber of Commerce</td>
</tr>
<tr>
<td>Lanny Boutin</td>
<td>Town of Gibbons</td>
</tr>
<tr>
<td>Randolph Boyd</td>
<td>Town of Bon Accord</td>
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<tr>
<td>Wes Brodhead</td>
<td>City of St. Albert</td>
</tr>
<tr>
<td>Roxanne Carr</td>
<td>Strathcona County</td>
</tr>
<tr>
<td>Dionne Chambers</td>
<td>Fort Saskatchewan Chamber of Commerce</td>
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<tr>
<td>Jonathan Saah</td>
<td>Greater Edmonton Economic Development Team (GEEDT)</td>
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<td>Gary Sandberg</td>
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<td>Neil Shelly</td>
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<td>Douglas (Doug)</td>
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<td>Walter Yachimetz</td>
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October 2014  Report of the CRB Economic Development Summit

Western Management Consultants
### Participants in the October 2\textsuperscript{nd}, 2014 Familiarization Session

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<tr>
<th>Name</th>
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<tr>
<td>Gerry Gabinet</td>
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<td>Doug Sullivan</td>
<td>Lamont County Regional Economic Development Initiative</td>
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<td>David Walker</td>
<td>City of Spruce Grove</td>
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### Invited Observers of the Session

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<th>Name</th>
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<tr>
<td>Troy Fleming</td>
<td>General Manager, Infrastructure &amp; Community Services, City of Fort Saskatchewan</td>
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<tr>
<td>Gibby Davis</td>
<td>Senior Policy Advisor, City of Edmonton</td>
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<tr>
<td>Yolande Shaw</td>
<td>Strategist, Capital Region Board, Strathcona County</td>
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<tr>
<td>Andrea Friedman</td>
<td>Urban Planner, Urban Strategies</td>
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<tr>
<td>Leslie Chivers</td>
<td>Intermunicipal Advisor, Sturgeon County</td>
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<tr>
<td>Michelle Hay</td>
<td>Director, Intergovernmental Affairs and Corporate Planning, City of Leduc</td>
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<tr>
<td>Dave Lane</td>
<td>Councillor, City of St. John's</td>
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<tr>
<td>Colleen Sklar</td>
<td>Executive Director, Partnership of the Manitoba Capital Region</td>
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<td>Colleen Shepherd</td>
<td>Executive Director, Calgary Regional Partnership</td>
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<tr>
<td>Bill Robertson</td>
<td>Mayor of Okotoks, and Secretary, Calgary Regional Partnership</td>
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<td>Mr. Don Lowry</td>
<td>Meeting Chair</td>
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<td>Worship Mayor Roxanne Carr</td>
<td>Mayor, Strathcona County</td>
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<td>Hon. Don Scott</td>
<td>Minister, Innovation and Advanced Education</td>
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<td>Worship Mayor Nolan Crouse</td>
<td>Mayor, City of St. Albert and Chair, Capital Region Board</td>
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<td>Mr. Gregg Wassmansdorf</td>
<td>Newmark Grubb Knight Frank</td>
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<td>Mr. Jeremy Heigh</td>
<td>Sift Everything Corporation</td>
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**Meeting Support and Leadership from Capital Region Board**

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<td>Doug Lagore</td>
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**Facilitators from Ministry of Municipal Affairs**

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<td>Michael Scheidl</td>
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**Meeting Organizers and Facilitators from Western Management Consultants**

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<tr>
<td>Kent Stewart</td>
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<td>Joyce Tustian</td>
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<td>Marissa Warshawski</td>
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<td>Mel Buerger</td>
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Laura Walter
Terms of Reference

Motion

That the Capital Region Board approve the updated Terms of Reference, as recommended by the Advocacy & Monitoring Committee.

Background

On July 10, 2014, the Capital Region Board approved changing the Performance Monitoring Committee name to the Advocacy & Monitoring Committee (AMC) and amending the Performance Monitoring Committee Terms of Reference accordingly to reflect the change in committee name, as recommended by the Governance, Priorities & Finance Committee.

The amended Terms of Reference for the Advocacy & Monitoring Committee was reviewed and recommended by AMC on October 9, 2014.

Recommendation

It is recommended that the Board approve the updated Terms of Reference, as recommended by the Advocacy & Monitoring Committee.
BACKGROUND

This committee provides the leadership for monitoring and reporting of the Board’s progress towards its stated goals (Business and Strategic Plans, and Growth Plan), and making recommendations to the Board to improve its performance.

Mandate

Reporting to the Board, this committee’s mandate is to:

- Monitor and report on the Board’s progress as set out in its approved Business, Strategic and Growth plans
- Identify risks and issues that may be inhibiting the Board’s progress and propose solutions
- Identify emerging issues and opportunities to the Board
- Identify where changes are needed or enhancements can be applied to further reinforce the progress of the Board’s collective efforts
- Oversee, monitor and report on the Board’s progress in education, communications, advocacy and relationship building as set out in its approved advocacy and communications plan
  - Policy Advice - Formulate and recommend any positions and responses to provincial and federal issues (legislative, policy and program) affecting the CRB
  - Intergovernmental Relations and Advocacy - Inform and provide recommendations regarding legislative, policy and program issues and opportunities affecting the Board’s mandate and priorities to key federal and provincial government departments

Membership

This committee will consist of seven members: the Board Chair, the Chairs from the four standing committees of Governance, Priorities & Finance, Land Use & Planning, Regional Services and Transit, the City of Edmonton and a member at large. Membership will be reviewed by the Board every two years. No municipality shall have more than one representative on the committee at any time.

Leadership

At its first meeting, the committee will select its Chair and Vice-Chair from amongst its membership. At the end of a two year period, once the committee membership has been reviewed by the Board, the committee will also review and select its Chair and Vice-Chair. The Board Chair will not be eligible to Chair this committee.

Support/Resources

The CEO will support this Committee drawing upon CRB administration as required.
MEETING FREQUENCY

The Committee will meet quarterly after a Board meeting or at the call of the Chair as warranted.

AUTHORITY

All meeting groups established by the Board are considered advisory bodies to the Board and therefore must, by a passed motion, provide recommendation(s) to the Board for decision.

DECISION-MAKING

Decisions, recommendations and actions determined by this committee will be driven by the desired outcome to do what is in the best interest of the Capital Region. Only elected officials that are designated as voting members of the committee, or their designated alternate, may vote. Each member of the committee will represent their respective standing committees (standing committee Chairs) or the Board (Board Chair, member at large, and the City of Edmonton) and will have one vote.

All motions must be moved by a voting member. Motions require a majority of members in attendance to pass (50 percent plus one).

QUORUM

Quorum is defined as 50 percent plus one of standing membership.

DISPUTE RESOLUTION

The committee Chair is accountable for ensuring effective and collaborative committee operations and decision making. Where the Chair’s efforts are unable to resolve a dispute, the matter will be brought to the Board for discussion and resolution.

COMMUNICATIONS

The Chief Executive Officer will act as the single point of contact for all communications requests for the Board and will determine the appropriate level of response required. This may result in responses being required from the Board Chair/Interim Chair, a committee or task force Chair, members, Board administration, or the Chief Executive Officer.

STATUS OF MEETINGS

Committee meetings are open to the public including all members of the CRB (elected officials and their alternates), administrative representatives from all CRB member municipalities and members of the public. The committee may invite individuals from the Province, industry, the general public or other Board/committee members to participate in specific agenda items. Committee minutes are public records.

Section 602.08 (1) of the Municipal Government Act (MGA) states that the committee may close all or part of their meetings to the public if a matter to be discussed is within one of the exceptions to disclosure in Division 2 of Part 1 of the Freedom of Information and Protection of Privacy Act.

All members (elected and administrative) attending the in camera session shall respect the confidentiality of the in camera items.
REPORTING

The committee is expected to provide the Board, through established communication channels and schedules, sage advice, descriptions and recommendations to resolve existing issues, status and progress as it relates to its mandate and expected deliverables.

MEETING AGENDAS AND MINUTES

All meeting agendas, minutes, reports, briefings and supporting documentation will be provided in an electronic format. In general, meeting agendas and pre-read materials, where available, will be provided at least one week in advance of a scheduled meeting.

The committee will include its meeting minutes with the next Board meeting agenda package.

Nolan Crouse, Board Chair
BACKGROUND

This committee provides the leadership for monitoring and reporting of the Board’s progress towards its stated goals (Business and Strategic Plans, and Growth Plan), and making recommendations to the Board to improve its performance.

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Reporting to the Board, this committee’s mandate is to:

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The committee will include its meeting minutes with the next Board meeting agenda package.

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Nolan Crouse, Board Chair
Regional Evaluation Framework (Ministerial Order L:270/10) Amendment

Motion

That the Capital Region Board direct the Board Chair to send a letter to the Minister of Alberta Municipal Affairs requesting that the Regional Evaluation Framework (Ministerial Order L:270/10) be amended by deleting Section 5.4 b) (ii) relating to the consistency of Statutory Plans and Statutory Plan Amendments with the regional population and employment forecasts in the Capital Region Growth Plan as recommended by the Land Use Committee.

Background

- Ministerial Order No. L:270/10, being the Regional Evaluation Framework (REF), was approved November 29, 2010. The effective date of the Regional Evaluation Framework is March 31, 2010.

- The purpose of the Regional Evaluation Framework is to confirm that new municipal statutory plans and statutory plan amendments proposed by member municipalities are consistent with the Capital Region Board Regulation and the Capital Region Growth Plan.

- The REF contains evaluation criteria that must be considered in the review of Statutory Plan and Statutory Plan amendments that require approval of the Capital Region Board.

- One of the evaluation criteria in REF is consistency of a Statutory Plan or Statutory Plan amendment with the Population and Employment Forecasts in the Capital Region Growth Plan.

  5.4 When evaluating a statutory plan or statutory plan amendment under this section, the Board must consider:

    b) Whether approval and full implementation of the statutory plan or statutory plan amendment would result in development that is consistent with all of the following:

        (ii) The regional population and employment forecasts in the Capital Region Growth Plan.

- On January 10, 2013, the Board was presented with a proposed update to the Population and Employment Forecast in the Growth Plan. The Board referred the item back to CRB Administration with direction to further review the proposed forecasts with municipal administrations. It was also suggested that the Land Use Committee clarify how the forecasts are to be used in evaluating REF applications, especially when a proposed forecast exceeds the Growth Plan Forecast.

- On June 27, 2013, following discussions regarding the interpretation and use of the population and employment forecasts in the evaluation of REF applications, the Land Use Committee approved the subject motion for consideration by the Capital Region Board.

- On September 12, 2013, the Board postponed the subject motion until after the 2013 election.

- On November 14, 2013, the Board postponed the subject motion until after the completion of Strategic Plan.
On October 9, 2014, the Board approved the Capital Region Board 2014 – 2018 Strategic Plan.

Administration Recommendation

That the Board not send a letter to the Minister of Alberta Municipal Affairs requesting that the Regional Evaluation Framework (Ministerial Order L270/10) be amended by deleting Section 5.4 b) (ii).

Rationale

The subject motion was presented at the same meeting last year that the Board adopted new population and employment projections. In this regard, the new projections acknowledged that growth over the last 5 years, since the Growth Plan was approved, is occurring at a faster pace than previously forecast. Further, the new projections are based on a range, rather than a single line projection as was previous. A range provides the flexibility to address the ever evolving growth rates of municipalities in the region. Furthermore, the Board accepted the new projections with the direction that they be used as a guideline in its decision making processes. This has provided additional discretion to Administration when reviewing REF applications. Finally, the Regional Evaluation Framework will have to be amended after the update to the Growth Plan is completed next year. Therefore, Administration recommends that the Board not amend the REF at this time, holding off until a comprehensive review of the Ministerial Order can be undertaken after the Growth Plan is updated.

Attachment:
1. Ministerial Order L:270/10 – Regional Evaluation Framework
MINISTERIAL ORDER NO. L:270/10

I, Hector Goudreau, Minister of Municipal Affairs, pursuant to section 21(1) of the Capital Region Board Regulation (AR 17/2010) make the following order:

1. That the Regional Evaluation Framework as attached in Schedule A is hereby established.

2. That the effective date of the Regional Evaluation Framework is March 31, 2010.

3. Ministerial Order No. L:046/10 is hereby rescinded.

Dated at Edmonton, Alberta, this 29 day of NOVEMBER, 2010.

Hector Goudreau
Minister of Municipal Affairs
Regional Evaluation Framework (REF)

1.0 Purpose

The Capital Region Board (the “Board”) has been directed to implement the Capital Region Growth Plan subsequent to its adoption by the Government of Alberta.

The purpose of the Regional Evaluation Framework is to provide criteria to allow the board to evaluate new municipal statutory plans and statutory plan amendments to ensure consistency with the long-term regional interests identified in the Capital Region Growth Plan, and the Capital Region Board Regulation.

2.0 Definitions

In addition to the definitions contained in the Capital Region Board Regulation (the “Regulation”), words defined in the Capital Region Growth Plan shall be given the same meaning for the purposes of this Regional Evaluation Framework.

3.0 Municipality Review

3.1 A municipality must refer to the Board any proposed new Intermunicipal Development Plan, Municipal Development Plan and any proposed amendment to an Intermunicipal Development Plan or Municipal Development Plan.

3.2 A municipality must refer to the Board any other statutory plan or statutory plan amendment where:

a) one or more of the following conditions exist:

   (i) the statutory plan or statutory plan amendment would result in the creation of one or more lots intended and/or designated to accommodate Heavy Industrial Use;

   (ii) the effect of the statutory plan or statutory plan amendment proposes a net residential density that differs from the assigned density target in the Capital Region Growth Plan for the corresponding Priority Growth Area, by 10 per cent or more;

   (iii) the effect of the statutory plan or statutory plan amendment proposes a gross residential density that differs from the assigned density target in the Capital Region Growth Plan for the corresponding Cluster Country Residential Area, by 10 per cent or more;
(iv) the plan boundaries are within 0.8 km. of a road identified in the Regional Transportation Infrastructure map of the Capital Region Growth Plan;

(v) the plan boundaries are within 1.0 km. of an approved Intermunicipal Transit route or Park and Ride facility as identified by the Capital Region Growth Plan (Figures, 8, 9, or 10 of the Capital Region Intermunicipal Transit Plan) or a Transportation Master Plan as approved by the City of Edmonton;

(vi) the plan is located outside a Priority Growth Area or Cluster Country Residential Area as identified on the Priority Growth Areas and Cluster Country Residential Areas map in the Capital Region Growth Plan, and at full build-out the plan proposes to vary the municipality’s official population as stated in the most recent Alberta Municipal Affairs Official Population List by 10 per cent or more;

and

b) the statutory plan or statutory plan amendment proposes land uses that would add to, alter, interrupt or interfere with:

(i) the land-use development pattern required by the Principles and Policies or residential density targets established in the Capital Region Growth Plan; or

(ii) the distribution, expansion, and/or integrated development of regional infrastructure, and recreation, transportation and utility corridors as identified on the Regional Transportation Infrastructure, Regional Water and Wastewater Infrastructure, Regional Power Infrastructure and Regional Corridors maps in the Capital Region Growth Plan or conservation buffers as shown on the Regional Buffers Areas map of the Capital Region Growth Plan.

3.3 A municipality must refer any other statutory plan or statutory plan amendment where the plan is within 1.6 km. of the boundaries of the Alberta Industrial Heartland Area Structure plans, or the Edmonton International Airport Area Structure Plan.

3.4 Statutory plans or statutory plan amendments referred to the Capital Region Board pursuant to section 3.1, 3.2 or 3.3 must be referred to the Board after 1st reading and before 3rd reading of a bylaw or bylaws.

3.5 A statutory plan or statutory plan amendment referred by a municipality to the Board must include:

a) the proposed statutory plan or statutory plan amendment bylaw;

b) sufficient documentation to explain the statutory plan or statutory plan amendment;
e) sufficient information to ensure that the statutory plan or statutory plan amendment can be evaluated pursuant to the evaluation criteria in section 5.4 of the REF; and

d) a copy of the most recent amended plan without the proposed amendment.

4.0 Board Administration Review

4.1 Within 25 working days of the date on which the statutory plan or statutory plan amendment referral is found to be complete by the Board, the Board Administration must present to the Board a report and recommendation to either approve or reject the statutory plan or statutory plan amendment.

5.0 Board Review and Decision

5.1 At the meeting at which the Board administration report and recommendation are presented the Board must, by consensus, approve or reject the statutory plan or statutory plan amendment.

5.2 In the event that consensus is not achieved a formal vote of the Board must be conducted, in accordance with the voting and notification provisions of the Capital Region Board Regulation and the Board’s procedural bylaw.

5.3 Prior to a vote on a statutory plan or statutory plan amendment the Board must hear:
   i. from the Board administration; and
   ii. from the municipality proposing the statutory plan or statutory plan amendment.

5.4 When evaluating a statutory plan or statutory plan amendment under this section, the Board must consider:

   a) Compatibility of the development with the objectives of the Capital Region Growth Plan as set out in Section 11 of the Regulation;

   b) Whether approval and full implementation of the statutory plan or statutory plan amendment would result in development that is consistent with all of the following:

   (i) The Land Use Principles and Policies of the Capital Region Growth Plan including the provisions for:
      i. Buffer areas as shown on the Regional Buffers Area Map in the Capital Region Growth Plan;
      ii. Priority Growth Areas as shown on the Priority Growth Areas and Cluster Country Residential Areas map in the Capital Region Growth Plan;
      iii. Cluster Country Residential Areas as shown on the Priority Growth Areas and Cluster Country Residential Areas map in the Capital Region Growth Plan;
      iv. Density targets as outlined in Capital Region Growth Plan; and
      v. Outside Priority Growth Areas.
(ii) The regional population and employment forecasts in the Capital Region Growth Plan.

(iii) The regional transportation network as shown in the Regional Transportation Infrastructure map in the Capital Region Growth Plan.

(iv) The Intermunicipal Transit Network Plan of the Capital Region Growth Plan (Figures, 8, 9, or 10 of the Capital Region Intermunicipal Network Transit Plan), and a Transportation Master Plan as approved by the City of Edmonton.

(v) The regional infrastructure, and recreation, transportation and utility corridors as identified on the Regional Transportation Infrastructure, Regional Water and Wastewater Infrastructure, Regional Power Infrastructure, and Regional Corridors maps of the Capital Region Growth Plan.

(vi) The boundaries and policies of Alberta’s Industrial Heartland Area Structure plans and the Edmonton International Airport Area Structure Plan.
Sub-regional Needs Assessment Framework

Motion
That the Capital Region Board receive the Sub-regional Needs Assessment Framework and Pilot Reports for information.

Background
- The Capital Region Board (CRB) seeks to ensure that its municipalities support a diverse range of housing types, available to all income levels. To achieve this, the CRB strives to promote integrated and coordinated planning of non-market and market-affordable housing at the sub-regional scale.
- The Capital Region Housing Plan (a component of the Capital Region Growth Plan) provides direction to develop a 10-year regional housing plan based on sub-regional planning that is responsive to housing needs.
- The development of a “Sub-regional Planning Process” was an approved Housing Committee initiative in the CRB 2012-2014 Business Plan.
- In 2013, an Environmental Scan was carried out that described the roles and responsibilities of the stakeholders currently involved with the provision of non-market housing, and suggested how those roles might evolve as an enhanced approach to planning for non-market housing is implemented.
  - The findings and recommendations of the Environmental Scan confirmed that provincial funding and regional planning priorities should be guided by sub-regional planning efforts — which, in turn, would benefit from the use of standardized planning and assessment tools.
- Following the completion of the Environmental Scan, the Housing Committee initiated the development of one such tool — a sub-regional housing needs assessment framework.
- In November 2013, Headwater Strategy Group Ltd. was retained to develop the assessment framework and carry out pilot needs assessment studies in the Leduc and Strathcona / Fort Saskatchewan sub-regions to validate the framework.
- An important step toward addressing the housing needs of our region is determining the extent of the need.
- The needs assessment framework will allow future housing needs assessment studies to be carried out in each CRB sub-region in a consistent and comparable manner.

1Non-Market Housing is defined as housing that is created or operated and funded through direct government subsidies. It includes different categories of housing based on the associated services needed by the clients, and generally applies to less than 20 percent of the total number of households in the region.
Market Affordable Housing is defined as rental or ownership housing that is modest in form and specification and is capable of being produced for moderate income households without upfront or on-going direct government subsidies (e.g. through regulatory change, efficient design, tax incentives, etc). Generally, it applies to households earning moderate incomes (i.e. between 100 percent and 150 percent of the median income for their household size).

-Definitions taken from Capital Region Housing Plan: Strategy and Implementation Plan, 2009
- Needs assessment studies are the foundation of planning, and will feed into a standardized sub-regional plan (to be developed).

- On September 12, 2014, the Headwater consulting team reviewed the Needs Assessment Framework and Pilot approach with the Housing Advisory Working Group (HAWG) to ensure that any outstanding concerns related to the content or format of the draft reports were addressed prior to accepting them as ‘final’ and presenting to the Housing Task Force.

- At this meeting, HAWG reached consensus on the following statement of support for the Needs Assessment Framework and pilot studies: “That the Housing Advisory Working Group agrees with the Housing Needs Assessment Framework as a tool and process; and recommends this as a valid approach that be applied in the remaining sub-regions of the Capital Region Board.”

- On October 24, 2014, the Housing Task Force received the final Pilot Reports and accepted the Needs Assessment Framework and Pilot Reports for information, and forwarded this material to the Regional Services Committee for information.

- On October 30, the Regional Services Committee received the final Pilot Reports and accepted the Needs Assessment Framework and Pilot Reports for information, and forwarded this material to the Capital Region Board for information.

- Housing needs assessments will proceed in the four remaining housing sub-regions (i.e., Edmonton, Lamont, Sturgeon, and Parkland) upon receipt of provincial grant funding.

**Attachments:**
2. Leduc Housing Needs Assessment Report
3. Strathcona / Fort Saskatchewan Housing Needs Assessment Report
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1. OVERVIEW

The Capital Region Board (CRB) developed a Housing Strategy for the Capital Region and wishes to ensure that its’ municipalities support a diverse range of housing types, available to all income levels. In order to develop plans for a balanced mix and distribution of housing opportunities across the Capital Region it is necessary to establish a uniform and consistent analytical assessment of current and planned housing development across each municipality and sub-region. Accordingly, the CRB seeks to promote integrated and coordinated planning of non-market and market-affordable housing at the sub-regional scale.

The project terms of reference described the intent with respect to housing need assessment:

The Capital Region Board seeks to ensure that its municipalities support a diverse range of housing types, available to all income levels. The Capital Region Board seeks to promote integrated and coordinated planning of non-market and market-affordable housing at the sub-regional scale. An important step toward addressing the housing needs of the region is determining the extent of this need.

This sets the scope more in the sense of “housing requirements”, rather than the more narrowly defined concept of “housing need”, as used by CMHC in its “core housing need” methodology. Accordingly the process to develop the Framework, goes beyond low income housing need (non-market) to consider broad housing requirements – across a range of built form, tenure and price range.

The Housing Assessment Framework (Framework) is an analytical model that, given the availability of appropriate data, can be utilized at any scale to review and assess the current situation, recent trends and likely future patterns of development. It also seeks to identify housing requirements and housing need. While the focus is on assessing requirements for non-market assistance, the Framework allows the examination of recent market performance, as this sets the context and influences non-market issues, such as housing affordability and availability of low-modest priced options. The Framework provides an objective assessment and creates insight through which to consider and develop policy options and to refine land use planning objectives.

The output of the Framework helps to:

• highlight gaps and issues in the housing system (housing continuum) and to
• identify the implications for policy and planning interventions that can be employed to adjust or encourage different outcomes to those that are occurring across the region.

The Framework’s Housing Assessment Tool (HAT) provides a medium to assemble data and undertake analysis to examine housing trends and issues. It is then necessary to review and interpret the results of the analysis.

This User Guide presents an explanation of the steps and tasks followed in order to undertake a housing need assessment. It is expected that by setting out these steps the staff and analysts in each sub region or municipality will be able to prepare an assessment using a consistent approach and consist types of data.
2. CRB HOUSING ASSESSMENT FRAMEWORK DEVELOPMENT

The CRB Housing Assessment Framework was developed using the nine steps outlined below. This User Guide and Housing Assessment Tool (HAT) have been created using these steps.

1. **Develop analysis plan.** Determine the key questions to be examined in the needs assessment. This is called the analysis plan, an important first step in any research that helps to define and refine the research focus. By detailing the key questions the requirements for data can be determined and focussed. The analysis plan developed in this exercise is attached as appendix A. Note that while the focus is on determining housing need, the approach taken is broader and seeks to situate the housing need within the broader market context.

2. **Source data.** Based on the analysis plan identify potential data sources from which to obtain baseline and recent data (and for future updates). This may include Statistics Canada, CMHC, the Edmonton Real Estate Board (EREB), the municipality and the Alberta Ministry of Municipal Affairs - Housing Division. For some data, information may be readily available online and can be easily downloaded. Often though, and especially for smaller geographic coverage (local municipality) or aggregations, such as sub regions, customized data is required. To obtain such data it is necessary to develop detailed data specifications and submit these to the source agencies. Usually some discussion is required to clarify the request and discuss issues such as limited data, which will cause data suppression. Typically it may take a few weeks to a few months for custom requests to be provided, and there is usually a cost, which increases with complexity of the request. Appendix B provides copies of the detailed custom requests used in generating the background data in the analysis tool.

3. **Assemble and organize data.** Once data are received, these can be consolidated and extracted into the assessment tool. In some cases it is necessary to use an intermediate step to organize data such that it can be more easily copied or written into the main assessment spreadsheet. For example, Statistics Canada provide custom tabulations in a software called Browser 20/20. This can be useful in creating different cross tabulations with different variables (e.g. may want to cross tabulate tenure by age; or dwelling type by tenure). Some caution is required when extracting from one source into the spreadsheet (this is especially true when extracting from 20/20 into excel).

4. **Input data into assessment tool.** Once collected and assembled it is possible to utilize these various data sources to undertake the need assessment and general analysis. When pasting or entering data into the assessment tool it is set up to accept both overall aggregate regional data as well as a specific geography. Having both (local and aggregate) allows each sub region or individual municipality to compare themselves against the overall regional (CRB) context.

5. **Initiate analysis.** The pre-set need assessment tool (spreadsheet) is set up to accept data and includes some initial illustrative analysis and graphs within each sub theme (e.g. population profile, dwelling characteristics etc.). Once users have the data they may see patterns that raise additional questions. In some cases, additional insight may come in later tabs, and it may be useful to iterate back and forth between spreadsheet tabs (sub themes).
The spreadsheet tool is simply that, a place to undertake review and analysis of data. This may include baseline data (e.g. from the census/National Household Survey), as well as updated more recent data and multi year data that enables some examination of trends over time. Users are encouraged to undertake additional investigation and analysis to help them understand specific issues and trends that may become apparent in the data.

6. **Develop housing needs assessment report.** Import data analysis into discussion paper. Again following the key analytical questions outlined in the analysis plan (and presented in the assessment user guide) users can begin to discuss the patterns and insights available in the data. This can include extracting key tables and charts to further illustrate findings and understanding. In some cases this may not always answer a question, it may simply raise new questions, for example why are housing starts exclusively detached homes, or exclusively targeted to buyers?

7. **Identify gaps - baseline need.** The tool and discussion paper should first aim to describe the current static state. This is a baseline assessment and consolidates the various sources of data to determine two key outputs:
   - What is the depth and nature of unmet housing need
   - What are the gaps in the housing system that contribute to unmet housing need

8. **Identify future need.** The next step is to assess how the existing need (and most likely backlog of need) might trend in the future. This is premised on a growing population and household growth. It is not possible to project future need. However as a simplifying assumption, the incidence of need by age and household type can be used. This implicitly assumes need remains constant and does not adjust to assess if future net new households have greater or fewer challenges to find sound housing that they can afford within the existing stock of in or new supply.

9. **Determine policy implications.** Implicit in steps (7) and (8) is a need to design policy and program interventions to respond to and ultimately reduce unmet housing need. The model does not seek to lay out policy prescriptions. It simply helps to set out and define the nature of the problem. Armed with this insight planners and policy staff in each jurisdiction can begin to identify and develop appropriate responses.
3. CRB HOUSING ASSESSMENT ANALYSIS GUIDE

Housing Assessment Tool Analysis Approach

This section details the type of analysis that can be undertaken in each of the related tabs of the Housing Assessment Tool (HAT). It poses key questions, and provides some illustrative examples of the type of analysis that should be considered under each question.

The Housing Assessment Tool assesses a series of questions ranging from the overall market context through to assessing future need. The questions below are addressed as sequential Excel tabs (worksheets) in the HAT.

Setting the overall market context
1. What are the regional housing stock characteristics: dwelling, age, type and condition?
2. What are the population and household characteristics of the Region (Sub-Region)?
3. What is income profile by tenure?
4. What are the housing prices and rents?

Determining nature and extent of housing need (households not served by market)
5. What is nature of housing Need (from NHS 2011, three standards)?
6. What are estimates of incidence of Core Housing Need (uses 2006 - to be updated with 2011, when available)?

What existing resources help to address need?
7. What is the existing non-market (social) housing supply in the CRB?

To what extent is the market and ongoing development reducing or exacerbating housing need?
8. Based on census/NHS how has the historic rent and income distribution changed (this provides a more complete picture than CMHC rent data)?
9A. What are trends (since 2006) in new housing start (by type)?
9B. What are rent and price trends (since 2006)?
10. What is the existing housing gap - based on a housing continuum?
11. Given that need is more acute among renters, what are gaps in rental supply?

Assessing Future Housing Need
12. How will population and household growth (projections) impact future need?

The next sections describe the type of analytical steps that should be reviewed under each of these thematic set of questions. To assist readers in understanding illustrative charts are included to demonstrate how data can be used to quickly highlight issues and trends, which form the basis of the assessment. Each subhead refers to spreadsheet tab (i.e. 3.1 = tab 1 ; 3.3 = tab 3 etc.)
3.1. What are the Regional Housing Stock Characteristics: Dwelling, Age, Type and Condition?

This sets a baseline to describe the existing type of housing – what form (single detached vs apartment, tenure, age and condition is the existing stock?

Comparing this against the type and mix of households that live in the area (next sub-section) helps to refine and further assess whether there is a full range of house types (which also imply price and rent variations)

Some useful analytical questions:

How does the existing housing mix compare to the regional average?

Is there a need to direct new development to create more of certain dwelling types (e.g., more small dwellings – apartments)?

This can also be refined by considering the age profile of households – if the area is predominantly households with persons 55+ there may be emerging need for alternative forms to their existing detached homes – especially if they wish to remain in the neighbourhood/community where they have lived for some time and have established social networks, family etc.

What is the tenure mix – is the area predominantly homeowners? How does the local tenure mix compare to the regional average? Are options available to those that either prefer to rent or cannot afford to buy (at prevailing and expected prices in area)?

3.2. What are the Population and Household Characteristics of the Region (Sub-Region)?

The population profile – type of households that live in the area – to a large extent will reflect the form of the stock. An area that is predominantly single-family dwellings will tend to have a higher proportion of families and few singles, compared to an area with more apartments.

The data can reveal however if there are gaps in supply. For example there may be a number of single persons (both senior or non-senior) currently living in the area, and by default living in detached homes. Would they prefer smaller apartments type options, if available? Will they relocate to other areas to find those options?

Data used are available in the NHS custom tabulations to show family type, age, tenure and income. Note that while some information on the underlying population can be useful, such as historical growth rates by municipality, housing is demanded and consumed by households, so much of the assessment focuses on household characteristics versus individual population statistics.

This base profile is intended to provide some insight on the population and household characteristics of the community. Subsequent analysis explores how this is changing and how it compared to the regional average.
Comparison against the regional average profile can highlight key features and difference – is the population generally older and younger and how might their need and demand change in short-medium future? What type of housing stock will be needed to ensure a range of options to respond to changing needs of existing residents.

How is population likely to change in the future – and will the type and price of stock dictate the type of future households that may move to the area?

What is the mix of small and large households (single person vs. 4+ persons and need for smaller or larger dwellings?

### 3.3. Household Income Characteristics

Alone household type family, (with split for two parent and lone parent and non-family) may not reveal housing preferences and capacity to demand/afford. Combining with age categories and by income levels can help to drill into a more refined sense of housing requirements.

Data are likely to reveal that renters have lower incomes than owners. In part because more renters are single and therefore household income reflects only a single earner; and more affluent households typically (though not always) choose to buy, thus renter income reflect many households unable to buy.
3.4. What are the Housing Prices and Rents?

What is the current distribution of house prices and rents – this is initially based on occupant-assessed values, as reported in the NHS (see sidebox).

This can be augmented with data from Multiple Listing Service (MLS) sales and for rents from the CMHC rental survey (although this covers only purpose built structures of 3+ units, which are less than half of the renter occupied stock). However it is a useful indicator. In some locations, where rentals are in the form of rented houses, no rent data is readily available beyond informal review of classified ads or on line sources such as Kijiji. It may be necessary to tabulate data from these informal sources, or conduct a local survey of the “secondary rental market”.

The objective is to reveal the relative cost to live in the area and determine if this places a barrier for some households and does it provide a sufficient range of options for a changing population?

Rent levels also reflect the form of the rental stock – where the rented units are mainly detached homes the average rent will be higher than for apartments. If there are few lower rent options available it may be appropriate to examine local plans to see if multi-residential development is being encouraged or allowed. Do existing municipal planning policies allow or encourage installation of secondary apartments within homes? Do existing policies and regulations effectively make it uneconomical to build smaller, more modest housing that is more affordable?

Prices of recently completed homes are presented in subsequent section on housing market trends (and adds price data for newly built single and semi-detached homes). This reveals how the market is responding to perceived demand.
3.5. What are the Housing Needs Based on Suitability, Affordability and Condition?

This is a central component of the framework and assessment. The CRB is particularly interested in how need is distributed across the region and this can be used to assist in allocation of resources designed to respond to housing need.

CMHC has developed a measure called core-housing need, which uses a two-step process:

1. Does a household experience any one of or a combination of problems based of three standard measures of suitability (number of bedrooms compared to household composition), condition (need for major repair) and affordability (paying greater than 30%)? And,

2. Is the household’s gross income below a specified threshold, which is separately calculated for each Census Metropolitan Area (CMA) and for each household size, 1 person 2 person etc.? CMHC will update its core need estimates based on the 2011 NHS and publish these in mid-late 2014. In the absence of these estimates, proxy measures are used. These cover the 3 standards used in the CMHC model, but without the income threshold (i.e. step 1 above). A proxy for core need can be to use those paying greater than 50%, which is often considered an extreme and acute threshold or very heavily rent burdened households. Another proxy is to use a factor of median income, by household type.

For each geography the number and percentage of households experiencing each of the 3 problems problem is available.

This will show that most issues relate to affordability (suitability and condition have a much lower incidence in prior core need estimates, although sometimes combine with affordability). The data can be used to reveal how the incidence of these issues varies across different households.

Reflecting the generally lower incomes among renters, the incidence of need (paying greater than 30%, 50%) tends to be much higher among renters (in CMA 41% renters pay over 30% versus 18% among owners).
3.6. CMHC Core Housing Need estimates

As noted above, CMHC has not yet developed or published updated core need estimates, based on the 2011 NHS. The worksheet therefore uses the older 2006 estimates. These should be updated one new 2011 based core need is published (expected fall 2014).

It is useful to drill into the core need data to explore which particular households are most in need (as illustrated lone parents and singles have much higher incidence of problems; seniors also stand out).

Are these issues caused only by lack of income or are problems exacerbated by lack of certain dwelling types – smaller lower cost/rent units?

3.7. What is the Current Inventory of Non-Market Housing?

One way to respond to housing need is through direct provision of subsidized housing (social and supportive). An alternate option is rental assistance, or rent supplements, to specifically address affordability problems. The latter option does not necessarily require a change in supply.

Some communities, especially older more central areas may have a higher share of non-market housing than others. What is the current inventory of assisted housing (including low rent, rent geared to income properties)? In addition what is the inventory of special purpose housing, including senior’s lodges, nursing/care homes and special purpose housing (usually with some level of supports) designated to certain target groups such as adults with mental illness etc.

Baseline data is available from the City of Edmonton for municipal non-profit projects, Alberta Municipal Affairs for all cost-shared and provincial unilateral housing units and CMHC for unilateral federal units. The data for the region surrounding Edmonton is much easier to quantify because of the relatively small number of non-market units. The larger portfolio and complexity of delivery models funded by various provincial government departments makes the situation in the City of Edmonton much more difficult to monitor. Data can be updated annually by each government based on new funding and related additions.

How does the existing inventory of non-market compare to the regional average and against identified housing need? For each sub region, the inventory of social/assisted housing should be identified as a percentage of total stock in that sub region; and as a relative share of the aggregate social/assisted stock across the CRB. The percentage of housing need by client group being served by the non-market
portfolio is important in terms of ensuring an equitable supply of market housing in accordance with the need. For example, generally speaking, the existing portfolio is skewed toward families and seniors and provides little supply to singles, some of whom have disabilities and other needs that prevent them from becoming independent, both financially and otherwise.

This step identifies only the supply of social and supportive housing. Quantifying the unmet need for various levels of supportive services requires a much broader set of measures and data, and is beyond the scope of a housing need assessment Framework. As noted above the existing inventory of social and supportive options (i.e. existing supply) can be mapped; but it is not possible to create estimates of unmet supportive need.

Alternatively, discussion of the gaps in required support services can be conducted to provide an qualitative assessment of the issues and gaps that exist within the sub-region. Such information can be gathered via a group discussion with the services funders/providers that work in the sub-region, as an ancillary step in drafting and sharing an assessment report.

The specifics in terms of services and actual costs, especially when it comes to medical care and other complex areas, can only be accurately determined at or near the time of building construction. The information provided through this process is of use, in conjunction with the housing needs assessment, during the planning process to:

- Help determine where in the Sub-Region a new housing facility or initiative should be located;
- Identify which stakeholder sectors need to be involved to ensure that the appropriate type and level of services are coordinated and funded with the additional non-market housing.

### 3.8. Trends in the overall stock of housing and incomes of occupants

The census (2001, 2006) and 2011 NHS provide a useful historical record of the total housing stock. While CMHC data provide useful updates, this is only for additions, it does not capture demolition or transition in tenure (e.g. an owned home is converted into rental apartments, or vice versa). So the Census /NHS can provide deeper and historical insight to augment recent starts and pricing data.

A custom request has been submitted to obtain data for three censuses 2001-11 for all sub region and municipalities; however this has not been received. The workbook uses CMA data to illustrate to type of analysis that can be undertaken. Focusing on rental stock (because that is where more need exists and rent is usually main source of smaller and more affordable options) the available stock between the 2006 and 2011 census is used (this can be augmented when 2001 data available).
The census data show flows within the existing stock. New construction represents a small portion (less than 2% of existing, but over time has some impact on the form, tenure and price distribution. This is separately examined using recent starts data as well as price and rent surveys.

Between 2006-2011 there was an erosion of lower rent units. More than 40,000 units shifted from low rents (under $800) to over $800.

Notably, renter households appear to have shared gains from growing economy – there was a decline in the number of low income renters.

3.9. What are the Trends in Housing Stock? (New construction since 2006)

The base profiles of household characteristics and dwelling types have a large influence on the existing stock; new additions tend to represent a small incremental change. The influence of new construction is, however, much more significant in the younger peripheral sub-regions where starts relative to existing stock are high. If there is a desire to alter or augment supply with newer and different structure types and pricing, it is important to understand what the planning and development system is currently creating.

Given potential issues identified in the earlier base characteristics are recent construction trends perpetuating a certain predominant dwelling type and tenure; or is there a different mix of dwelling types and price/rent ranges?
To what extent are recent construction types helping to respond to emerging shifts in requirements or new trends? This dataset tracks new housing construction and distinguishes built form, single family dwellings (SFD), row, apartments etc., as well as whether at the time of construction dwellings were built (intended) as ownership or rental.

The more recent data also provides insight into the rent and price ranges of new additions to the stock and whether these include more modest and affordable options.

The starts data reveal (shown here at CMA level) a shift toward more multiple forms (row and apartment) both in absolute terms and as a share of the market. Detached (singles) fell significantly in the 2008/09 downturn and while recovering somewhat, have not returned to the same volume. Apartments have however picked up the slack – mainly via condos. Rental construction has remained very low, but did surge in 2012-13 (partly due to affordable housing initiatives)

While rental starts are increasing, rent data (from semi-annual CMHC rental survey) show that the rents charged for newly constructed privately owned (i.e. excluding affordable non-profit development) are generally 20-30% higher than the market average (which is weighted by older lower rent units). As such they contribute to overall rental supply, but are not adding to affordable supply.
3.10. What Are the Housing Continuum Demand and Supply Gaps and Mis-Match?

The concept of a housing continuum has been widely adopted across Canadian municipalities as a way to set the broader context, as well as to help identify where gaps exist between need and demand versus supply. Figure 1 is extracted from the 2012 CRB report *Our Affordable Future*. It presents an overview of the housing continuum from homelessness thru to the full market response. This separates market and non-market aspects of the housing system.  

![Figure 1: The Housing Continuum](image)

As a concept a continuum can be a useful way to consolidate the full range of housing options and assess both current supply and requirements (based on incomes and household demographics). The non-market part (Fig 1, left side) includes various services that represent an add-on to housing (accommodation). These also provide varying levels of support services reflecting the special needs of the sub-population. This includes emergency shelters (more a social service than housing per se) as well as various forms of housing which incorporate support services either in house (e.g. 24/7 supervision), or delivered separately via community social service agencies (e.g. home care).

The availability of community amenities such as schools, parks and sports facilities, arts and cultural programs, in combination with the supports, are critical factors that should be considered in terms of locating non-market housing, however, these are not included here (they would be considered only at a site specific project level).

The important element from the perspective of quantifying housing need and requirements is that the housing component to facilitate the delivery of such support services is available. In the main this speaks to requirements for subsidized or low rent options where low-income persons transitioning from

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1 Fig 1, extracted from the CRB “Our Affordable Future” uses reference income bands (e.g. subsidized = 65%-80% median Income) that vary from those used in this guide. As described below, these have been calculated as a way to quantify the continuum, and result in different percentages of median income.
homelessness or living with mental health challenges, or with restricted ability to perform activities of daily living can afford to live while receiving additional supports.

Figure 1 presents the continuum as a conceptual framework. While it does include an income related quantum, based on percentage of median income, this was illustrative only. It is possible to refine and quantify the income categories (as percentage of median or average income) more accurately with thresholds for subsidized, affordable and market housing. This can then be used to align each part of the continuum against housing availability. **This does not need to be done for each sub-region, a CRB-wide benchmark is sufficient for developing the benchmarks in the continuum (because it's a regional housing market).** However the existing requirements and availability in each sub-region should be updated. The approach used to quantify the continuum boundaries draws on income thresholds that define eligibility for social housing.

The standard measures used in Canada as eligibility for social housing, uses an income threshold (Housing Income Limits, (HIL)) derived from median market rents (updated annually from CMHC rent survey). This determines the income required to afford the median rent at 30% of income. These are calculated by household size (number persons) and rounded to the nearest $1,000. HILs are calculated and applied at the CMA scale (i.e. not calculated at any sub-regional level).

<table>
<thead>
<tr>
<th>Rent (2011)</th>
<th>Derived HIL*</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Single – Bachelor</td>
<td>713</td>
</tr>
<tr>
<td>2. Person -One-bed</td>
<td>857</td>
</tr>
<tr>
<td>3. Person -Two-bed</td>
<td>1034</td>
</tr>
<tr>
<td>4. Person - Three bed</td>
<td>1191</td>
</tr>
</tbody>
</table>

*(e.g. 2 bed = $1034 divided by 30% times 12 months = $41,360, rounds to $41,000).*

Figure 2: Derived Proxy Housing Income Limits (HILs)

Because median rents are not readily available, a proxy is used here based on average rents. For consistency with the 2011 NHS and 2011 tax file data used in the later analysis, the HILs are calculated against the Oct 2011 Edmonton (CMA) average rents. The same methodology can be used to update rents annually. Separately income data is available either from the census NHS or from tax filer data. The census data is available with tenure variables (owner vs. renters) but over time becomes out of date (note the 2011 NHS collected 2010 income). Tax file data is available more frequently and provides an update, albeit with a 18 month time lag - 2012 data (filed in early 2013) will be available in Oct 2014.

Unfortunately, the tax file source does not distinguish tenure, so income of all household, regardless of tenure is used here (with the 2011 tax year data). This facilitates updating in intercensal years (when the only source is the tax filer data).

The NHS reports median and average incomes (2010) for Edmonton (CMA) as $79,090 and $97,516 respectively. Tax filer data also for 2010 reports an average of $82,603 blended across all household

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2 CMHC generates a data set of median rents based on units that include heat. Thus this tends to be slightly different from the published average rent data. Here the average rent is used to estimate HILs because this is readily available in the CMHC semi annual rent survey.
types (it was much higher for 2 parent families and much lower for lone parents and singles). This had increased to $85,414 in 2011.

At $85,000, the overall average (or median) 2011 income for all households is too high to use as a threshold to assess non-market need. It is far in excess of the derived HILs presented in Figure 2 above. A household with an income of $80,000 can afford a rent of $2,000 and a purchase price of $400,000, so this is not a measure of need.

In targeting programs in the US, their method uses 50-60% of area median family income. Separate analysis in Canada has found that 60% of median income roughly approximates the income calculated under the HIL method based on average rent for two-bed units. In our case, 50% of average 2011 income would translate to an income of $40,000 with affordable rent and price of roughly $1,000/month and $200,000 respectively.

Comparing the derived HILs (Fig 2 above), which reflect the upper limit for eligibility for social housing, against the average 2011 income (tax data) it is clear that as a benchmark against median or average household income, the upper limits should be closer to 50% for families and 30-35% for non-family (mainly singles) for whom smaller units with lower rents are appropriate.

<table>
<thead>
<tr>
<th>Household Size</th>
<th>Annual Income</th>
<th>As % 2011 income</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Single – Bachelor</td>
<td>29,000</td>
<td>34%</td>
</tr>
<tr>
<td>2 Person - One-bed</td>
<td>34,000</td>
<td>40%</td>
</tr>
<tr>
<td>3 Person - Two-bed</td>
<td>41,000</td>
<td>48%</td>
</tr>
<tr>
<td>4 Person - Three bed</td>
<td>48,000</td>
<td>56%</td>
</tr>
</tbody>
</table>

Figure 3: Estimated Edmonton HILs and Average Household Income (2011)

Based on this approach the continuum can be quantified. From the overall average (or median income), each specific threshold in the continuum (e.g. 50% of average) the maximum affordable price and rent can be readily calculated. These rent and price ranges can then be compared against the rent and price distribution in each jurisdiction as a way to identify gaps in the continuum.

A further refinement to the continuum is to include an intermediate market category as a transition between non-market and full market. Given the incomes and distribution of households (families and singles separately, because they have distinctly different incomes and housing requirements) the rent or price that would be affordable to each income band can be readily calculated. This can then be compared against the existing rents and prices in the stock (at the specific geography of a sub region or municipality) as well as against the rents and prices of recently constructed housing.

Unfortunately the census (NHS) data do not distinguish smaller units (bach/one) for singles versus larger family sized units (2 beds). However the NHS custom data file obtained for this work provides reasonable proxies, using structure type. For owners, the file provides dwelling values by structure type. Larger dwellings (sfd, semi, row and mobiles) are assigned as “family housing; apartments and attached units are assigned to non-family housing (singles). For renters the data files specifically include rent

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3 It would be possible to order a custom tabulation distinguishing bed count by household type (family, singles) however such a specification was not included in our order.
ranges with household type, so family and non family can be readily extracted. Similarly the incomes of both family and non family households are available. Counting the number of households within each income range developed in the continuum provides a way to quantify demand and to compare this with supply (availability by rent or price).

Working example (results in Fig 4):

The derived HIL for a single person household (above) was roughly 35% of the CMA overall income, so the 35% benchmark was selected. 35% of $85,000 is $29,750. This is set as the income limit for singles seeking social housing. At this income the single could afford a maximum of $744 for rent (30% of income). Using this same amount as the mortgage payment, it is similarly possible to calculate the maximum home price this single could afford (using an assumed mortgage rate of 4.5% and 25 yr amortization and 5% down payment).

The availability of rental and purchase units is then estimated by interpolating from the census data how many units are below this amount. This requires some manual manipulation. Here the rent threshold is determined to be $744. But rent data only publish total units between $600-$799. So to estimate total below $744, we first sum all units under $600; then add $144/200 of the number in the 600-799 range. In the example below this generates a total of 16,607 rental apartments under the $744 rent level.

<table>
<thead>
<tr>
<th>QUANTIFYING THE CONTINUUM (FAMILIES AND SINGLES)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Average CMA income (= base for income % benchmarks)</strong></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td><strong>Singles (% benchmark)</strong></td>
</tr>
<tr>
<td>Income benchmark</td>
</tr>
<tr>
<td>Max afford rent</td>
</tr>
<tr>
<td>Max afford buy</td>
</tr>
<tr>
<td>Rent units available</td>
</tr>
<tr>
<td>Homes priced in range</td>
</tr>
<tr>
<td>Total dwellings in range</td>
</tr>
<tr>
<td>Households in income range</td>
</tr>
<tr>
<td><strong>Families (% benchmark)</strong></td>
</tr>
<tr>
<td>Income benchmark</td>
</tr>
<tr>
<td>Max afford rent</td>
</tr>
<tr>
<td>Max afford buy</td>
</tr>
<tr>
<td>Rent units available</td>
</tr>
<tr>
<td>Homes priced in range</td>
</tr>
<tr>
<td>Total dwellings in range</td>
</tr>
<tr>
<td>Households in income range</td>
</tr>
</tbody>
</table>

* The CMA average income is used to determine the upper income range for each segment of the continuum – e.g. 35% x 85,000 = 29,750. This is then converted into a max rents based on paying 30% and a max house price using the rent as the payment and assuming lending parameters of 25 years, 10% down and 4.5% mortgage rate

Figure 4: Quantifying key elements of the continuum (based on Edmonton CMA data)
This same interpolation method is used for each of the segments of the continuum to determine the total existing stock (rentals and owned units) with values in that range. Household incomes are then used to identify how many households exist in that same affordability range (e.g. incomes up to $29,750 who can afford only up to $744).

Based on the above brief review Fig 4 illustrates the data used to build a continuum. The benchmark rents and prices remain constant, but the count of required and available units will be specific to each sub-region and must be generated from data at that geography. The baseline (2011) existing stock is available in the census (NHS). For additions since census new starts could be added (but there is lack of data on rent and price levels). So it’s possible to assess total supply, but rent and price range are harder to update. This data is then presented graphically below.

Using these benchmarks, and data for the CRB as a whole the following charts illustrate the continuum first for non-family (predominantly) singles, then for families. In each case the continuum shows a shortfall of housing options (either to rent or to buy) against the lower income need.

The first two columns in each affordability band show the number of rentals and owned homes required; the third column shows how many households have incomes in the equivalent affordability range. Generally there tend to be more requirements in the lower (more affordable ranges) than there are...
units. This therefore helps to illustrate the gaps in housing provision and affordability. It also tends to reveal a theoretical shortage of units at upper levels – mainly because mid-higher income earners could afford more (at theoretical 30% but most spend a much smaller percentage of the income for shelter costs (so they occupy units priced in more intermediate levels).

3.11. What is the Rental Market Supply and Affordability by Income Band?

As confirmed earlier, renters are identified with a higher incidence of housing need than owners. In part this reflects the typically lower incomes among renters and thus more affordability issues. This assessment is a further exploration of the continuum, but focusing only on rental options. As in the continuum, it converts incomes into equivalent rents, using the 30% shelter to income criteria and then seeks to create income groups that at their boundaries align with rent groups.

Using census (NHS) data it is possible to examine the relative distribution of incomes versus rents. Based on the norm of spending no more than 30% for rent, and based on the number of households in each income band, estimates of the number of rental units required in each rent or income band can be derived.

Comparing this theoretical requirement against the existing range of rents that exists (again from 2011 NHS data) provides a way to identify the gap of mismatch between what renters in the area can afford and what they are currently paying. It also reveals the extent to which there is a shortfall in the number of lower rent units in the area.

Note that the published rent and income ranges are quite wide such that some interpolation is required (as explained in previous section). Customized data requests could obtain narrower rent and income bands and seek to directly align these based on the 30% threshold (i.e. at incomes up to 20,000, maximum rent is $500, so requesting data with rents $250-$500 would allow more direct comparison).

A similar analysis can be conducted against home prices although the prices in the NHS reflect occupants own estimate, not necessarily a market value. For ownership it is also necessary to calculate a mortgage payment and compare this to an affordable income at the same 30% criteria of affordability.

3.12. What are the Projected Housing Requirements and Need, Short-Medium Term (5-10 years)?

The final consideration is: how will housing need change over time? This draws on population and household projections developed for the CRB. The method used to generate used historic fertility, mortality and household formation rates within each sub-region and then aggregated these up to the CRB level. Because projections rely on a range of assumptions they are typically developed to generate
high and low estimates. It is not necessary to generate projections; these are commissioned separately by CRB.

Total household growth under a low and high estimate for the aggregate CRB was examined to assess the implications for future growth in housing need (as identified earlier in tabs 6 & 7, sec 3.6, 3.7). This revealed that across the region household growth over the next seven years (2015-2021) is anticipated to average between 10,200-12,700 households per year.

Using the incidence of core need derived earlier (sec 3.7, using 2006 core need) the incidence of need was applied against expected total growth to estimate growth in need. This generates an estimate of growth in core need, totaling between 1,123 and 1,407 per year at the CRB level.

**CRB Household projections (average annual growth, 2015-2021)**

<table>
<thead>
<tr>
<th></th>
<th>Low Projection</th>
<th>High Projection</th>
</tr>
</thead>
<tbody>
<tr>
<td>HH growth</td>
<td>10,208</td>
<td>12,791</td>
</tr>
<tr>
<td>Growth in need</td>
<td>1,123</td>
<td>1,407</td>
</tr>
</tbody>
</table>

While not insignificant, compared the scale of outstanding need, this is a low value. On this basis it is recommended that sub-regions do not need to separately determine growth. They can simply take a per capital share of the overall value. This should be set as a minimum target for production of new affordable and supportive housing in order that the current backlog of need is capped and does not grow further (i.e. an aggregate target of 1,100 to 1,400 new non-market units should be established annually, just to avoid further growth in need).

4. **OVERALL HOUSING ASSESSMENT SUMMARY and POLICY CONSIDERATIONS**

This section should consolidate insights and findings in the preceding analysis and identify potential policy implications and options.

It can also identify the quantum and type of resources required to respond to the identified type and magnitude of housing need (as suggested for example by setting growth in need as a minimal target for annual new social housing development).

The primary input to the overall assessment will be the gaps revealed through the housing continuum. However the recent market trends will also be important, especially if the type of new development is exacerbating gaps, versus filling them. This will have implications for how each municipality and sub region plans for new development – is the planning system enabling and pro-actively encouraging the type of development necessary to reduce gaps in the housing system? It also highlights the importance of importance of municipal planning systems and ergo the role of municipalities in helping address need and demand for housing.

When consolidated at a regional level, it will be useful to compare across sub-regions and from each sub-region to the region as a whole.

As noted some consideration will need to be given separately to the relative levels of support services ancillary to housing need.
5. HOUSING DATA, USES and SOURCES

In this User Guide data has been assembled from a range of sources:

- 2011 Census National Household Survey (NHS);
- Statistics Canada data series on tax filer incomes (more frequent updates between census data, but lacks tenure variable);
- Canadian Mortgage and Housing Corporation (CMHC) housing market reports (new starts, rents and prices and rental vacancies);
- Edmonton Real Estate Board (EREB) (home prices); and
- Various forms of administrative data related to existing supportive and social housing inventories, provided by the City of Edmonton, Alberta Municipal Affairs and CMHC.

Appendix B presents the custom data requests used to obtain data from these sources. The resulting data has been provided electronically to CRB.

CMHC uses the census/NHS to generate estimates of core housing need, and has announced plans to publish new core need estimates in late summer 2014. For the CRB sub-regions, custom tabulations should be ordered at that time. In short term we use a proxy measure of paying over 30% and over 50% of income, supplemented by the 2006 core needs estimates. This can be refined once CMHC releases the update.

The census provides a rich data set, but is limited by timing, every 5 years, and delay in publication (2-3 years after. So It becomes 8 years out of date by the end of the cycle). Accordingly, other data sources are needed to supplement the census/NHS.

Income data is available from Statistics Canada using Canada Revenue Agency (CRA) tax files data and is updated annually, albeit with a 18 month lag (2011 tax year data currently available; 2012 data will be available in October 2014). This disaggregates by family type (two parent and lone parent), as well as non-family households, but does not provide tenure.

Statistics Canada also updates population estimates and components of population change (natural vs immigration) annually.

Supply data is more frequently available from CMHC monthly surveys and annual publications and is very timely. This includes price data but only for new detached homes (not for condo). Price data for recent sales of existing homes may be available from the Edmonton Real Estate Board. Rental data (rents and vacancies) are surveyed and published semiannually by CMHC providing regular updates on the state of the market.

The Assessment Framework is built largely on the NHS data. It is important going forward that CRB and municipal staff seek out and regularly update data and refresh the assessment as a way to monitor ongoing change in need and demand and to evaluate the impact of any plans and policies related to encouraging a full range and type of supply.

6. APPENDICIES

Appendix A: Analysis Plan
Appendix B: Custom data Requests used to assemble input data
Appendix C: Detailed methodology to assemble data from custom tabulations
Appendix D: Glossary of Terms and Acronyms
Appendix A: Analysis Plan
(used initially to define data requirements)

In order to develop the Housing Assessment Framework, we first need to define the analytical questions and then identify associated data that will be required. The following steps lay out the types of information that will be required and the sources of data. Once data is collected and assessed, additional data elements or types of analysis may be identified.

We may be able to obtain data online although may also want to submit a customized request to Statistics Canada. Even if the required data is readily available in existing published tables, it can be cumbersome to extract and certain predetermined tables may not always have the type of cross tab needed. In such cases a customized request will help to generate more useable data and save time extracting info as well as avoid errors that can occur when extracting such data.

Developing an analysis plan will enable us to define specifically which data and types of cross tabulations will be required. The initial work will be undertaken at the CMA level, however subsequent work will require similar data but with a range of geographies. This must include:

- CRB [1]
- CMA[2]
- Aggregation for each of 6 sub-regions (Gary to specify the related municipalities/counties) [6]
- Each individual municipality/county [24]

Total geographies [33]

Step 1: Creating an overview/profile.

For each sub region, comparison can be made against overall CRB: how similar/dissimilar is it from CRB average? In the initial phase we will develop the assessment framework and will collect and assess data at CRB/CMA scale; a subsequent phase will undertake sub-regional assessments.

As an initial step we need to identify the current housing situation. This can be created with a profile showing the existing population, total households with a breakdown by tenure and built form (sfd/semi, row and apt).

Analysis question 1: What is the current type of housing: sfd/semi, row and apt. And further what is the relative mix of apartment vs. detached and by tenure (own/rent).

We also want to know who currently lives there, so: hh type (family, with split for two parent and lone parent and non-family) and age categories, and by income levels.

Analysis question 2: Who currently lives in the area? Is it primarily younger or older, or close to regional mix? Is it family or non-family oriented?

Analysis question 3: What is the income profile of existing resident, for different household types (family/non-family): are incomes higher, lower or reflective of overall region?
It is likely that there will be some association between type of households, tenure mix and built form. And the population/hh profile will likely reflect the relative cost of housing across different sub-regions.

Accordingly it is useful to add some data on the relative cost of housing in each area. Such data is more readily available both in the census-NHS and CMHC surveys for rents. While the NHS data do provide shelter costs for owners, these are influenced by how long people have lived in that home, so don’t reveal underlying home values. The standard NHS data set does include an owner estimate of home value. This will provide a rough proxy, but is dependent on perception and guess of owner, not a more formal assessment. This will be sufficient for our purpose of the determining the relative price level in a region.

**Analysis question 4A: what is current rent (shelter cost) distribution by rent range.**

**Analysis question 4B: what is current dwelling value distribution by owners assumed price. How has the distribution changed from 5, 10 years ago?**

It is also useful to examine how the existing rent and price distribution has changed from 5, 10 years ago (i.e. is there evidence that stock of low-moderate rent dwellings are contracting or expanding?)? This is examined under trends ((Step 2 below)

As we work through an income and stock rent profile, this will begin to reveal some aspects about housing need in the area. The 2011 NHS had additional questions that reflect the three housing standards used by CMHC (affordability, suitability and adequacy) so these can be identified from 2011 census data. Note this is not “core need” which is derived only when an income threshold is added, but is will provide a general indication on housing issues across the 3 standards and how this area differs from the region as a whole.

In the absence of the CMHC income thresholds (which could potentially be derived from census rents, but this is a complicated step, requiring creation of a new variable) a proxy can be used. The NHS data set includes median income by tenure. Examining Edmonton 2011 medians, the median renter hh income ($47,500) is roughly 60% of the overall hh median $79,000, and roughly approximates the CMHC income threshold for a 2 bedroom dwelling. Another way to focus on more acute affordability need is to use the higher threshold of 50% being spent for housing (This is available in table 99-014-x2013031).

**Analysis question 5: what is the incidence of affordability, adequacy and suitability problems in the area (by tenure and by hh type)?**

**Analysis question 6: what is count and incidence of households experiencing affordability, adequacy and suitability problems and with incomes below the median renter household income.**

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*Note CMHC 2011 core need estimates are scheduled for release in summer of 2014, so may provide an update that can be incorporated later.*
Related to this more narrowly defined housing need, we can explore the existing distribution of assisted/social housing (i.e. existing supply). Again, the 2011 NHS included for the first time a question about “subsidized housing” and provides a count based on responses. This may provide a general indicator.

Provincial Ministry data has separately been provided which can identify locations of social/supportive housing. This is provided by address so could potentially be mapped or coded by sub region. This also provides a breakdown of type of housing – low rent, versus special purpose – emergency and supportive housing.

**Analysis question 7: What is distribution of social/affordable and supportive housing in the area?**

**Step 2: Recent trends in stock and requirements**

An important consideration is how the existing built form attracts and reinforces (or constrains options) for certain household types. This can be explored by examining recent trends and changes, both in the population (and # hh’s) and in in the type of new housing supply that has been produced.

**Analysis question 8: based on Census-NHS how has the population and more particularly number and type of hh changed since the last census (2001, 2006)**

Similarly, how has the rent and price distribution changed from 5, 10 years ago (i.e. is there evidence that stock of low-moderate rent dwellings are contracting or expanding)?

The next layer of questioning relates to causality – have revealed population and hh changes been influenced by what type of housing is available and the form and price of new housing being offered; or has the market responded to demand in developing housing types to meet identified need?

Census data can provide some cross sectional data of the type and change (e.g. number and form as well as rent levels in each area between two census periods. This will show net change across census periods.

Census (NHS) data can also be augmented by CMHC data on housing starts/completions by intended market (freehold vs. condo ownership and rental). This can provide the volume of starts as well as some characteristics of the new supply.

CMHC data can also provide some information on the price of new homes, but only for single and semi, similar data is not published for condo prices or rents.

Rent data are available after new units enter the survey universe for the CMHC rental survey (generally one year after occupancy).

Price profiles across the region and in each sub-region might be available via a request to the Edmonton real estate board. However this data is often not retained in a format that can be aggregated to specific geographic areas (e.g. sub-regions or below).

**Analysis question 9: How has stock changed (what is form of new supply since 2006)?**
Total starts by build form (sfd, semi, row, multiples) and by intended market (freehold ownership, condo ownership, rental, other)

Reflecting on the income profile generated above, what are key trends in housing supply and costs (prices and rents of new homes constructed and changes in prices and rents in existing stock.

**Analysis Question 10: What are current levels and recent trends in new home prices (CMHC), existing home sales (MLS) and rents (CMHC)?**

Drawing on the type of supply and change in household types we also want to investigate how these are influenced. Typical components of growth include: change in total population by age, change in total households and households by tenure

A key influence on demand is immigration, including domestic, inter-provincial and intra-provincial and international, all of which have been significant in Edmonton). Past and projected immigration are incorporated in the population and household projections being developed separately by CRB). These can be used to add perspective on how future supply and demand mismatch (gaps) may persist or narrow. This is discussed below under step 4.

**Step 3: Exploring gaps and patterns**

This will not require new data but will consolidate and assess data collected in prior steps to examine the following questions:

Has demand shifted and has this impacted the overall profile

Which are the predominant types of new housing supply

Which sub groups are being overlooked or underserved by new construction?

Is there a need to alter the type and price/rent range of new housing currently being produced?

What are the gaps in housing provision?

- By dwelling type (built form)
- By tenure type (own/rent)
- By price/rent range

**Step 4 Projecting future requirements**

The preceding steps and tasks develop estimates of current (baseline) outstanding need, as well as identifying issues and influences that have contributed to the gaps (or could help reduce gaps). Going forward, the gaps will be impacted as the population and number of households grows, and will inevitably include growth in need.
CRB population growth will be largely influenced by the state of the Alberta economy and extent to which this continues to attract migrants (inter-provincial and international). Population projections developed by and for the CRB as well as any developed by other agencies (Statistics Canada, CMHC) can provide some estimates of potential future housing requirements. These can be used as the basis for estimating what type of overall housing demand may be required across the CRB.

To project overall household growth and housing requirements it is necessary to apply a range of factors against the population estimates. These typically involved using recent/past propensity by age group. The CRB has commissioned development of population and household projections and these can be used to explore how certain identified sub populations (e.g. lone parents) will change and how this will impact future growth in housing need.
Summary of data requirements and availability
(for purpose of specifying custom tabulation).

Geographic Specifications
CRB, CMA; Aggregation each of 6 Sub regions; all 24 muni/county.

<table>
<thead>
<tr>
<th>Analysis question</th>
<th>Data source</th>
<th>Variables required</th>
<th>option/comments</th>
<th>exist catalogue</th>
</tr>
</thead>
<tbody>
<tr>
<td>Analysis question 1: What is the current type of housing: sfd/semi, row and apt. And further what is the relative mix of apartment vs. detached and by tenure (own/rent).</td>
<td>NHS 2011</td>
<td>Tenure, structural type dwelling</td>
<td>cat</td>
<td>x2011026</td>
</tr>
<tr>
<td>Analysis question 2: Who currently lives in the area? Is it primarily younger or older, or close to regional mix? Is it family or non-family oriented?</td>
<td>NHS 2011</td>
<td>Tenure, Age group primary maintainer, total income</td>
<td>cat</td>
<td>x2011028</td>
</tr>
<tr>
<td>Analysis question 3: What is the income profile of existing resident, for different household types (family/non-family): are incomes higher, lower or reflective of overall region?</td>
<td>NHS 2011</td>
<td>Tenure, Type of HH, total income Age group primary maintainer</td>
<td>cat</td>
<td>x2011028</td>
</tr>
<tr>
<td>Analysis question 4A: what is current rent (shelter cost) distribution by rent range. How has the distribution changed from 5, 10 years ago</td>
<td>Census 2001; 2006; NHS 2011</td>
<td>Renters, rent range (11), income groups</td>
<td>may need to get geographic data set from 2006, 2001</td>
<td>cat x2011031</td>
</tr>
<tr>
<td>Analysis question 4B: what is current dwelling value distribution by owners assumed price. How has the distribution changed from 5, 10 years ago?</td>
<td>Census 2001; 2006; NHS 2012</td>
<td>Owners, dwell value), income groups</td>
<td>may need to get geographic data set from 2006, 2002</td>
<td>cat x2011030</td>
</tr>
<tr>
<td>Analysis question 5: what is the incidence of affordability, adequacy and suitability problems in the area (by tenure and by hh type)?</td>
<td>NHS 2011</td>
<td>Tenure, income, affordability, suitability</td>
<td>cat</td>
<td>x2011028</td>
</tr>
<tr>
<td>Analysis question 6: what is count and incidence of households experiencing affordability, adequacy and suitability problems and with incomes below median renter</td>
<td>NHS 2011</td>
<td>Tenure, income (by decile), affordability, suitability</td>
<td>cat</td>
<td>x2011028</td>
</tr>
<tr>
<td>Requires a custom tab to enable selection of hh above and below median (cat 028)le on</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

CRB Mtg Pkg November 13/14
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### Analysis question 7: What is distribution of social/affordable and supportive housing in the area?

- NHS 2011 for overall est.
- AMS database for detail
- Number of units by type: low rgi rent; supportive, transitional, emergency shelter.

### Analysis question 8: based on census-NHS how has the population and more particularly number and type of hh changed since the last census (2006)

- Census 2006; Tenure, Type of HH, total income
- NHS 2011
- Need to compare against 2006, so need similar geographies for 2006.

### Analysis question 9: How has stock changed (what is form of new supply since 2006)?

- CMHC (rent survey data); and New home price, MLS statistics
- Starts by dwelling structure types (sfd, semi, row multi) and tenure
- Average rent each year since 2006; ave home price annual since 2006
- HH projections by age group and HH type (to match against incidence of need by type)
- May need special request to CMHC/CREA

### Analysis Question 10: What are current levels and recent trends in home prices (MLS) and rents?

- CMHC/CREA-MLS
- CRB growth plan and background data/updates
- Being generated separately by CRB for sub regions
Appendix B: Custom data Requests used to assemble input data

A series of requests were submitted to Statistics Canada.

Separate requests were submitted to CMHC and to the Edmonton Real Estate Board.

In each case, follow up discussions with data analysis resulted in some adjustment and refinement of the request. The following specifications reflect such adjustments.
Geography:

1. **24 Individual Municipalities:**

   Town of Beaumont,
   Town of Bon Accord,
   Town of Bruderheim,
   Town of Calmar,
   Town of Devon,
   City of Edmonton,
   City of Fort Saskatchewan
   Town of Gibbons,
   Lamont County,
   Town of Lamont,
   City of Leduc,
   Leduc County,
   Town of Morinville,
   Parkland County,
   City of St. Albert,
   City of Spruce Grove,
   Town of Stony Plain,
   Strathcona County,
   Sturgeon County,
   Town of Legal*,
   Town of Redwater*,
   Village of Thorsby*,
   Village of Wabamun*,
   Village of Warburg*.

* GNR’s =>50% please include in data set if any data from the catalogues listed is available. It is understood that Income variable will have additional rules of suppression.
2. **Geography Aggregations:**

1. **Aggregation:** City of St. Albert, Sturgeon County, Bon Accord, Gibbons, Legal*, Morinville, Redwater*
2. **Aggregation:** Lamont County, Town Bruderheim, Lamont (T)
3. **Aggregation:** Fort Saskatchewan, Strathcona County
4. **Aggregation:** Leduc County, Beaumont (T), Calmar (T), Devon (T), Leduc (CY), Thorsby* (V), Warburg* (V)
5. **Aggregation:** Parkland County, Spruce Grove (Cy)), Stony Plain (T), Wabamun *(V)
6. **Aggregation:** All 24 Municipalities (CRB)

**GEO:** CSDs - 2011 – to be put on 2011 SGC.

**DATA:**

1. X-tab the following: Household income groups (11)/STIR/Household type (6)/Tenure (3)/Suitability (3)/Condition (3)
   - Reference years 2001, 2006 and 2011 (geos – see above -on 2011 boundaries)
   - Income (nominal $) BT
     - Household Income Groups: (11)
       - Total - Household total income groups in 2010
       - Under $10,000
       - $10,000 to $19,999
       - $20,000 to $29,999
       - $30,000 to $39,999
       - $40,000 to $59,999
       - $60,000 to $79,999
       - $80,000 to $99,999
       - $100,000 and over
       - Median household income $
       - Average household income $
     - STIR: Based on Income Threshold – above and below median income (nominal $) by household type:
       - Total - Shelter-cost-to-income ratio
       - Spending 30% to less than 100% of household total income on shelter costs
       - Spending 50% to less than 100% of household total income on shelter costs

Note: Not applicable (private dwellings on farms or reserves, band housing and private households with a household total income less than or equal to zero)

- Household types (6)
  - Total
- couple families,
- couple families with no children,
- lone parent families
- non-family – single
- Non-family – other

O Housing Tenure (3)
- Total
- Owner
- Renter

O Housing Suitability (3)
- Total - Housing suitability
- Suitable
- Not suitable

O Condition of Dwelling (3)
- Total - Condition of dwelling
- Only regular maintenance or minor repairs needed
- Major repairs needed

2. X-tab the following: Shel Cost Grps (11)/HHLD Income Grps (11)/STIR/HHLD Type (6)/Tenure (5)
   - Reference years 2001, 2006 and 2011 (geos – see above -on 2011 boundaries)
   - Income (nominal $) BT

O Shelter Cost Groups (11)
   i. Total - Shelter cost groups
   ii. Less than $400
   iii. $400 to $599
   iv. $600 to $799
   v. $800 to $999
   vi. $1,000 to $1,199
   vii. $1,200 to $1,499
   viii. $1,500 to $1,999
   ix. $2,000 or more
   x. Average shelter costs
   xi. Median shelter costs

O Household Income Groups: (11)
   i. Total - Household total income groups in 2010
   ii. Under $10,000
   iii. $10,000 to $19,999
   iv. $20,000 to $29,999
   v. $30,000 to $39,999
   vi. $40,000 to $59,999
   vii. $60,000 to $79,999
viii. $80,000 to $99,999  
ix. $100,000 and over  
x. Median household income $  
xi. Average household income $  

- STIR: Based on Income Threshold – above and below median income (nominal $) by household type:  
  i. Total - Shelter-cost-to-income ratio  
  ii. Spending 30% to less than 100% of household total income on shelter costs  
  iii. Spending 50% to less than 100% of household total income on shelter costs  

Note: Not applicable (private dwellings on farms or reserves, band housing and private households with a household total income less than or equal to zero)  

- Household types (6)  
  i. Total  
  ii. couple families,  
  iii. couple families with no children,  
  iv. lone parent families  
  v. non-family – single  
  vi. Non-family – other  

- Housing Tenure (5)  
  i. Total - Housing tenure including presence of mortgage and subsidized housing  
  ii. Owner  
  iii. Renter  
  iv. Subsidized housing  
  v. Not subsidized housing  

3. X-tab: Mobility Status (5) /Age of Primary HHLD Maintainer (6) /HHLD Types (6)/Tenure (3)  
   GEO: 2006 on 2011 SGC  

- Mobility Status (5)  
  o Total – Household mobility status 5 years ago  
  o Non-mover households  
  o Mover households  
    - Within the same census subdivision  
    - Not within the same census subdivision  

- Age of Primary Household Maintainer (6)  
  o Total  
  o <25  
  o 25-44  
  o 45-64  
  o 65-74
- 75 and over

- **Household types (5)**
  - Total
  - couple families,
  - couple families with no children,
  - lone parent families
  - non-family – single
  - Non-family – other

- **Household Tenure (3)**
  - Total
  - Owner
  - Tenant
Census Custom Table Specifications

For: Capital Regional Board
Date: March 19, 2014

Table 3 Title: Private Households by Shelter Cost Groups (17), Household Income Groups (30), Shelter-cost-to-income-ratio (4), Household Type (6) and Tenure (3) for Selected Census Subdivisions and Aggregates in Alberta on 2011 Boundaries, 2006 Census, 20% Sample-based Data

File Format: Beyond 20/20 [2,276,640 cells]

Year, Database: 2001 Census, 20% Sample Database


Geographies: AB, Selected CSDs and Aggregates on 2011 Boundaries [31 geographies]

Note: Data products that are identified as 20% sample-based data refer to information that was collected using the long census questionnaire. For the most part, these data were collected from 20% of the households; however they also include some areas, such as First Nations communities and remote areas, where long census form data were collected from 100% of the households.

Please see geo details at the bottom.

Universe: Private Households in Occupied Private Dwellings

Table Structure: Private Households by Shelter Cost Groups (17), by Household Income Groups (30), by Shelter-cost-to-income-ratio (4), by Household Type (6) and by Tenure (6) [73,440 cells / geog]

Variables:

Household Income Groups (30)

1. Total - Household total income groups in 2000
2. Under $10,000
3. Under $5,000
4. $5,000 to $9,999
5. $10,000 to $19,999
6. $10,000 to $14,999
7. $15,000 to $19,999
8. $20,000 to $29,999
9. $20,000 to $24,999
10. $25,000 to $29,999
11. $30,000 to $39,999
12. $30,000 to $34,999
13. $35,000 to $39,999
14. $40,000 to $49,999
15. $40,000 to $44,999
16. $45,000 to $49,000
17. $50,000 to $59,999
18. $50,000 to $54,999
19. $55,000 to $59,999
20. $60,000 to $69,999
21. $60,000 to $64,999
22. $65,000 to $69,999
23. $70,000 to $79,999
24. $70,000 to $74,999
25. $75,000 to $79,999
26. $80,000 to $99,999
27. $100,000 and over
28. Median household income $
29. Average household income $
30. Standard error of average household income $

Notes: 1) Households with a total income less than or equal to zero included.

Shelter Cost Groups (17)

4. Total - Shelter cost groups
5. Less than $400
6. $400 to $499
7. $500 to $599
8. $600 to $699
9. $700 to $799
10. $800 to $899
11. $900 to $999
12. $1,000 to $1,099
13. $1,100 to $1,199
14. $1,200 to $1,299
15. $1,300 to $1,399
16. $1,400 to $1,499
17. $1,500 to $1,999
18. $2,000 or more
19. Average shelter costs ($)
20. Median shelter costs ($)

Shelter-cost-to-income-ratio (4)

1. Total - Shelter-cost-to-income ratio
2. Private households in non-farm non-band non-reserve dwellings with household income greater than zero
3. Spending 30% to less than 100% of household total income on shelter costs
4. Spending 50% to less than 100% of household total income on shelter costs
Note: 1) Not applicable to the shelter-cost-to-income variable: private dwellings on farms or reserves, band housing and private households with a household total income less than or equal to zero. These households are excluded from categories 2 to 4 but are counted in the total.

Household type (6)

1. Total – Household Type¹
2. Couple-family-only households²
3. Couple-family-only households with no children²
4. Lone parent-family-only households²
5. Non-family households – single
6. Non-family households – 2 or more persons

Notes: 1) Included in the total are multiple-family households and family households with additional non-family persons.
2) Family households will not include households with additional non-family persons.

Housing Tenure (3)

1. Total – Housing tenure¹
2. Owned
3. Rented

Note: 1) Band-owned dwellings (if any) included in the total count only.

Geography Details Based on 2011 Boundaries:

**24 Individual Municipalities:**

Town of Beaumont
Town of Bon Accord
Town of Bruderheim
Town of Calmar,
Town of Devon,
City of Edmonton,
City of Fort Saskatchewan
Town of Gibbons,
Lamont County,
Town of Lamont,
City of Leduc,
Leduc County,

Town of Morinville,

Parkland County,

City of St. Albert,

City of Spruce Grove

Town of Stony Plain

Strathcona County

Sturgeon County

Town of Legal

Town of Redwater

Village of Thorsby

Village of Wabamun

Village of Warburg*.

**Geography Aggregations:**

1. Aggregation: Sturgeon County, Bon Accord, Gibbons, Legal*, Morinville, Redwater*, St. Albert
2. Aggregation: Lamont County, Town Bruderheim, Lamont (T)
3. Aggregation: Fort Saskatchewan, Strathcona County
4. Aggregation: Leduc County, Beaumont (T), Calmar (T), Devon (T), Leduc (CY), Thorsby* (V), Warburg* (V)
5. Aggregation: Parkland County, Spruce Grove (Cy)), Stony Plain (T), Wabamun *(V)
6. Aggregation: All 24 Municipalities (CRB)
CRB Housing Need Framework
Housing data required - Request to CMHC

Geography: 6 sub regions, Consolidated CRB, CMA

1  City of St. Albert, Sturgeon County, Bon Accord, Gibbons, Legal*, Morinville, Redwater*
2  Lamont County, Town Bruderheim, Lamont (T)
3  Fort Saskatchewan, Strathcona County
   Leduc County, Beaumont (T), Calmar (T), Devon (T), Leduc (CY), Thorsby* (V),
   Warburg* (V)
4  Parkland County, Spruce Grove (Cy)), Stony Plain (T), Wabamun * (V)
5  City of Edmonton
6  All 24 Municipalities (CRB)
7  CMA total

Time frame: annual data for 206-2013 inclusive

Construction
Starts, total
Single-detached
Multiple
Semi-detached
Row
Apartment

Starts by intended market, total
Homeownership - freehold
Rental
Homeownership - condominium
Other (co-op and unknown)

Rents and prices - existing
Average rent ($)2
Bachelor
One-bedroom
Two-bedroom
3+ bedroom

Average rent units constructed since 2005
Bachelor
One-bedroom
Two-bedroom
3+ bedroom

New house prices (CMHC has only for single and semi)
Median new house price
1st quartile new house price

Ave MLS price
Detached
Semi/row
Condo apartment
Appendix C: Detailed methodology to assemble data from custom tabulations

The Assessment Framework Model is dependent on various types of data, mainly from Statistics Canada and CMHC. In some cases data is provided in an excel spreadsheet and can be easily extracted and inserted into the model. In the case of Statistics Canada customized data is provided in a data software called Browser 20/20. This is a format that allows multiple sets of variables in the same file and enables users to rearrange and extract different selections of cross tabulations.

For example the variables in a file might include:

- Geography (each municipality and sub region)
- Housing Tenure (owner, renter)
- Household Type (couples, couple plus children, lone parents none family etc.)
- Shelter costs by cost group (e.g. $400-599...)
- Income by income band (e.g. 10,000-19,999)

Any two variables can be cross tabulated, so for example we might examine the distribution (number of HH) in each income band by tenure. This can be further explored by also examining how this varies across different household types. This is illustrated in the following screen shots.
Once cross tabs are selected in browser 20/20 data can be copied and pasted into a spreadsheet, further summarized (e.g. calculate percentages, incidence rates etc.) and then added into the assessment tool.

So, for example, extracting from above into excel :
Appendix D: GLOSSARY of TERMS and ACRONYMS

Canada Revenue Agency (CRA),

Canadian Mortgage and Housing (CMHC),

Capital Region Board (CRB)

Census Metropolitan Area (CMA),

Edmonton Real Estate Board (EREB),

Housing Assessment Tool (HAT)

Housing Income Limits, (HIL)

Multiple Listing Service (MLS)

Single Family Dwelling (SFD)

Rent Geared to Income (RGI)

National Household Survey (NHS)

Market Housing – refers to housing build owned and managed by private sector owners or investment corporations with rents established in the market place.

Non Market Housing – refers to housing that was built with some form of public subsidy (either upfront or ongoing) and is owned and operated by a not for profit corporation or co-operative. Rents are typically subsidized and below fair market levels.

Social Housing – a subset of non-market housing, these are properties in which tenants are assisted via ongoing subsidy and typically pay rent on a rent geared to income (RGI) basis

Affordable Housing – Since 2001 when the federal government reengaged in funding new assisted housing, the term affordable housing has been used to distinguish non-profit and co-op properties which have received some assistance, but do not receive ongoing assistance. Rents are typically benchmarked to the average market rent (but are below the market rent that might be generated by new units.

Supportive Housing – a form of assisted housing where in addition to low (usually RGI) rents the operator also provides various support services to assist residents who have additional needs (e.g. elderly, persons with mental or physical illness).
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Jamie Sarasin Strathcona County
Barb Bigelow City of Fort Saskatchewan
Lori-Anne St. Arnault Meridian Foundation

Cory Labrecque City of Leduc
Donna Brock City of Leduc
Ki Wilson Devon
Sara ......
Kim Williston Leduc County
Gert Reynar Beaumont
Susan Perry Leduc Devon Food Bank
Chantal Mcdonald Irhub
Len Frank Alberta Government
Marny Mallis Leduc Beaumont Devon Primary Care Network

Alberta Government
The Capital Region Board retained the Headwater Group Consultancy\(^1\) to prepare a strategic Housing Needs Assessment. The purpose of the project, as stated in the Request for Proposals, was to:

“...promote integrated and coordinated planning of non-market and market-affordable housing at the sub-regional scale. An important step toward addressing the housing needs of the region is determining the extent of this need. In response to this challenge, the CRB Housing Committee seeks to establish a framework for identifying housing need that will guide the development of housing needs assessments throughout the Region in a consistent and comparable manner. Upon completion of the assessment framework, two housing needs assessment studies will be undertaken within the Leduc and Strathcona/Fort Saskatchewan Sub-Regions”.

The need assessments provide the basis to determine the appropriate policy, program and investment responses across the Capital Region and within Sub-Regions at future stages. Two workshops for municipal decision-makers across the Capital Region are planned on how to use the assessments and the tool to understand the housing market and system and review potential policy, program and investment responses.

> HOUSING MARKET SUPPLY AND DEMAND

The housing market in the Sub-Region can be described as one where the housing stock is relatively new, predominantly single detached dwellings, nearly all of which are owner-occupied with relatively few traditional rental opportunities available. The condition of the housing stock is comparable to the Capital Region, which suggests there are some redevelopment opportunities.

The household composition is predominantly families with a relatively small portion of single person households, including seniors. The Leduc Sub-Region has fewer household maintainers in the under 30 and 70+ years of age ranges. The majority of the household maintainers are of working age (30 - 59), which helps explain the high rate of homeownership. The existing homeowners are starting to become seniors and the rate will accelerate in the next 7 years.

The median income for households in the Sub-Region is 14% higher compared to the Capital Region - $90,274 vs. $79,090. While the median home value in the Sub-Region is very similar to the Capital Region, rents are 17% higher than the Capital Region. This is partly because most of the purpose-built rental housing is relatively new and commands a premium rent. It also reflects the fact that 40% of renters live in single-detached housing which costs more to rent. Nearly 30% of renters paid more than $1,500 for rent in 2011 compared to 15% in the Capital Region.

\(^1\) The assessment guide and reports were developed in collaboration with Focus Consulting of Ottawa, and Gordon & Associates of Edmonton.
Median rents increased by 98% between 2001 and 2011, resulting in a significant loss of nearly 1,300 units of affordable rental housing. Just over 500 units were built over the 10 years, but most had rents above $900/month. However, no purpose-built bachelor and 1-bedroom rental units have been constructed since 2000. This has created a significant shortage of rental housing across the housing Continuum.

- **Identifying the Supply Mismatch**

  The assessment uses the concept of a housing continuum to illustrate the range of dwelling types by tenure and price range relative to the housing requirements of the population, based on income and norm of paying 30% for shelter. The continuum is quantified using the distribution of actual rents, home prices and incomes in the sub-region to graphically illustrate gaps in housing supply and surpluses across the continuum. The appendices of the report presents separate charts for singles and families, because they require different dwelling types; the summary chart below combines all households.

  **Graph ES1: How Much Housing Is Available For Different Income Groups**

<table>
<thead>
<tr>
<th>Housing Availability and Requirements by Income Band</th>
</tr>
</thead>
<tbody>
<tr>
<td>Units existing (rent/priced in range)</td>
</tr>
<tr>
<td>Non-Market Social (0 - $42,500 Household income)</td>
</tr>
<tr>
<td>Non-Market Affordable ($42,500 - $63,750)</td>
</tr>
<tr>
<td>Market Affordable (75% - 100% of average income)</td>
</tr>
<tr>
<td>&gt;100% of average income (100% - Full Market)</td>
</tr>
</tbody>
</table>

The Sub-Region housing continuum shows:

- **Non-Market Social** (0 - $42,500 Household income). There is a shortage of owned housing or rental units priced or renting at levels affordable to households with incomes up to $42,500. Compared to the number of households, there is a shortage of approximating 1,300 dwellings.

- **Non-Market Affordable** ($42,500 - $63,750 household income). There is a “surplus supply” of about 1,300 dwellings. However, households in this range unable to find housing there are forced to occupy higher rent units in this price range, and the next, and pay well over 30% of
household income. So some additional supply of rental housing is also required in this intermediate segment.

- **Market Affordable** ($63,750 - $85,000 household income). There is a theoretical surplus of 3,500 homes, both for rent and for sale, in this income and price band. However, there is a shortage of about 1,400 homes for single person households; the surplus is all related to an oversupply of family oriented housing in this price range.

- **Full Market** ($85,000+ household income). There is a theoretical shortage of nearly 4,500 houses in this price range for households with incomes above $85,000 (100% of the CMA average income). The data shows there is a shortage of housing for both families and singles person households, suggesting that many households either choose to or have no option other than accessing housing in the market affordable range.

The 1,300 shortfall in the lowest income and affordability band applies almost exclusively to rental units in the lower rent ranges (<$749/month). The need is mainly from non-family renter households earning less than $29,750, but also from family households earning less than $42,500. Small bachelor and one-bedroom apartments for singles and some larger 3 and 4 bedroom units for families that are affordable to households in these income ranges will address the need.

**NON-MARKET HOUSING NEED (EXISTING GAPS)**

The incidence of dwellings in poor condition and experiencing over-crowding is similar to the Capital Region. Housing problems are predominantly related to affordability and impact mainly renters, reflecting the lower incomes and thus greater risk of affordability challenges:

- About 1/3 of renters in the Sub-Region pay over 30% and about 14% pay over 50% for rent;
- About 77% of households in need are non-seniors and among them, single person households and lone-parent family households make up a significant portion, and;
- There are 1,455 households who paid more than 30% of their income for housing and 605 households who paid more than 50% - lone-parent families had the highest incidence of need at 57% and non-family households were second highest at 53%.

A breakdown of the number and type of households in need at both the 30% and 50% affordability levels is shown in Table ES1 above.

---

2 Affordability @ 50% equates to Non-Market (Social) and Affordability @ 30% equate to Non-Market (Affordable). See Appendix C.
Table ES2: Households in Need by Type and Affordability Level, 2011

<table>
<thead>
<tr>
<th>Household Type</th>
<th>HHs in Need Affordability 30%</th>
<th>HHs in Need Affordability 50%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Family W/O Children</td>
<td>195</td>
<td>45</td>
</tr>
<tr>
<td>Family W Children</td>
<td>320</td>
<td>50</td>
</tr>
<tr>
<td>Lone-Parent-Family</td>
<td>345</td>
<td>115</td>
</tr>
<tr>
<td>Other (MF)</td>
<td>95</td>
<td>0</td>
</tr>
<tr>
<td>Non-Family</td>
<td>1,080</td>
<td>380</td>
</tr>
<tr>
<td>Total</td>
<td>1,455</td>
<td>605</td>
</tr>
</tbody>
</table>

The backlog of households in need is extensive:
- Lone-parent families had the highest incidence of need at both the 30% and 50% levels;
- Singles had the second highest incidence of need at both the 30% and 50% levels.

➢ MARKET AFFORDABLE HOUSING DEMAND (EXISTING GAPS)

The existing supply of Market Affordable Housing (MAH) far exceeds the demand – 6,600 housing units compared to 3,200 households (see Graph ES1). The excess supply is almost exclusively single detached housing intended for ownership. Future growth will create a demand for 183 new MAH units annually over the next 7 years (see Table 16 in report). Even with the large surplus of MAH, there is a shortage of smaller bachelor and one-bedroom rental units for single person (including seniors) households.

➢ SUPPORT SERVICES (EXISTING)

The information contained in this section is qualitative in nature and is not intended to be an assessment of community amenities and support services - a quantitative assessment requires a much broader set of measures and data and is beyond the scope of a Housing Need Assessment. Community amenities and support services located in the Sub-Region were reviewed by stakeholders and gaps were identified. The main findings were:
- The main gap is public transportation (including services for the disabled/elderly).
- Only basic level of services (intake and assessment). Anything beyond a basic level of support (e.g. counselling, advisory services, etc.) must be accessed through a facility or service located in Edmonton (thus the transportation issue).
- There is a component of the households in need who required certain community amenities and support services in close proximity to non-market housing. In other instances such as group homes, a full-time care provider may be required 24/7.

➢ LOOKING FORWARD

The final consideration is how housing requirements/demand and needs change over time. This draws on population and household projections developed for the CRB. Future housing requirements, incorporating both Non-Market Housing need and Market Affordable Housing demand (annual) for the high scenario are as follows:
Table ES3: Households in Need by Type and Affordability Level, 2011

<table>
<thead>
<tr>
<th>Age Cohorts</th>
<th>Average Annual Number of Housing Units, 2015-21</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total Housing Requirements</td>
<td>Non Market</td>
</tr>
<tr>
<td>15-24</td>
<td>6</td>
<td>2</td>
</tr>
<tr>
<td>25-44</td>
<td>468</td>
<td>31</td>
</tr>
<tr>
<td>45-64</td>
<td>322</td>
<td>34</td>
</tr>
<tr>
<td>65+</td>
<td>514</td>
<td>51</td>
</tr>
<tr>
<td>All Ages</td>
<td>1,310</td>
<td>122</td>
</tr>
</tbody>
</table>

Both existing and future housing requirements, needs and demand must be considered in the development of public policy and planning for Non-Market and Market Affordable Housing. For example, the information on the housing market can be used in the development of long range planning (e.g. MDP’s) and land use policies to ensure that the entire housing market is balanced and functioning in an inclusive manner, as well as support initiatives to improve housing affordability (e.g. flexible zoning to support higher density), specifically Market Affordable Housing.

The implications for future need and demand is similar to the existing need and demand with one exception - the growth in senior households (nearly half of future needs) will place increasing pressure on all housing options from independent living to supportive housing (See Graph below). Policy and Program responses will have to consider ways to ensure that the production of housing appropriate for seniors does not fall behind, both in terms of overall output (housing units) and affordability. Over the past 5 to 10 years, the majority of seniors housing has been constructed as pure market housing with some affordable units. The needs assessment for Sub-Region suggests that more Non-Market and Market Affordable rental housing will be required to keep up with the projected growth of senior households in the next 7 years.

³ The future demand estimates for MAH are not age specific.
It is recommended that Sub-Regions do not need to separately determine growth in the need for Non-Market and demand for Market Affordable Housing. Rather, they can simply take a per capital share of the overall value. This should be set as a minimum target for production of new Non-Market and Market Affordable Housing in order that the current backlog of need is capped and does not grow further.

Some thought should be given to establishing a CRB policy that would enable the CRB to allocate/re-allocate resources to any sub-region to address emergency high priority needs. This could apply to a range of issues from purchasing land to facilitate development to an unexpected immediate need for housing. This would enable the CRB to act strategically where it is in the best interests of the capital region.

The fundamental CRB policy question that needs to be addressed as the basis of future regional housing planning efforts in the Capital Region is the extent to which the CRB wants each of the Sub-Regions outside of the City of Edmonton to become more “stand-alone”/socially self-sustaining by developing the full range of housing (e.g. rental housing, housing for lower-income households, single-person households, housing for the homeless) and/or housing supports (e.g. adequate public transit, 24/7 supervision, comprehensive home care, etc.) in their areas to enable households of all life cycles and income groups and housing needs groups to remain living in those areas, and not be forced to move to Edmonton or elsewhere due to a lack of housing choice and opportunity in all CRB Sub-Regions.

➢ Where To From Here

Understanding local conditions and housing needs and demand is necessary for developing effective solutions. Now that the Sub-Region Housing Needs Assessment is complete, the next step in implementing the CRB Housing Plan is development of a Regional Planning Framework. This would incorporate both Non-Market and Market Affordable Housing and build upon the results of the need assessment. The result will be a Regional Housing Plan with a 10 year timeframe that incorporates changing trends and gaps in the existing supply of housing with future housing need and demand and directs the supply of Non-Market and Market Affordable Housing throughout the Capital Region.

➢ Recommendations

1. Support the Sub-Regional Housing Need Assessment as the core analysis of housing need within the Sub-region

2. Develop key planning steps to facilitate CRB and Sub-region housing policy and program decisions including:

   a. Drafting housing need responses, policy considerations and planning options, at the Capital Region and Sub-region scale at the CRB Housing Needs Assessment
Workshop, once all six Sub-region Housing Needs Assessments have been undertaken

b. Developing and consulting on housing need program and policy responses with housing authorities specifically and the community in general

3. Adopt CMHC’s Core Housing Need as the standard data source for measuring housing need, starting with an order for the 2011 Core Housing Need.

4. Annually update the CRB Housing Assessment Tool through the Housing Advisory Working Group or an alternate, updating key baseline data and reporting on Sub-region housing performance on an annual basis.

   a. Update income profiles by accessing federal Tax Filer data annually.
1. **INTRODUCTION**

The Capital Region Board retained the Headwater Group Consultancy\textsuperscript{4} to prepare a strategic Housing Needs Assessment Framework in September 2013. The purpose of the project, as stated in the Request for Proposals, was to:

“...promote integrated and coordinated planning of non-market and market-affordable housing at the sub-regional scale. An important step toward addressing the housing needs of the region is determining the extent of this need. In response to this challenge, the CRB Housing Committee seeks to establish a framework for identifying housing need that will guide the development of housing needs assessments throughout the Region in a consistent and comparable manner. Upon completion of the assessment framework, two housing needs assessment studies will be undertaken within the Leduc and Strathcona/Fort Saskatchewan sub-regions”.

The Framework will provide a comprehensive, standardized and consistent method for analyzing current and future housing needs across the Capital Region. The two pilot housing needs assessments provide the basis to determine the appropriate policy, program and investment responses across the Capital Region and within Sub-regions at future stages.

Two workshops for municipal decision-makers across the Capital Region are planned on how to use the assessments and the tool to understand the housing market and system and review policy, program and investment responses.

1.1 **PURPOSE**

Consistent with the Capital Region Housing Plan Vision (“A sufficient, supply, choice and diversity of housing within the Capital Region”), the Housing Needs Assessment involves an analysis of current and future need and demand for Non-Market Housing and Market Affordable Housing in the Sub-Region to ensure effective planning in supporting a diverse range of housing options for all income levels within that sub-region.

Specifically, the analysis will:

- Enable the CRB to be more informed on existing and forecast housing Non-Market Housing need and Market Affordable Housing supply, need and demand conditions and trends in the Sub-Region, and ;

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\textsuperscript{4} The assessment guide was developed in collaboration with Focus Consulting of Ottawa, and Gordon & Associates of Edmonton.
• Lead to an integrated and coordinated planning approach to meet this existing and projected housing need and demand through a sufficient supply and balanced mix of housing across the housing continuum in the Sub-Region.

1.2 THE SIX HOUSING SUB-REGIONS OF THE CAPITAL REGION BOARD

The Capital Region Housing Plan was approved by the Alberta Government in 2009, recommending a sub-regional planning approach for assessing and identifying housing priorities. The Plan recommended the establishment of the following six (6) housing sub-regions:

• Edmonton Housing Sub-Region
• Leduc Housing Sub-Region
• Sturgeon Housing Sub-Region
• Parkland Housing Sub-Region
• Strathcona/Fort Saskatchewan Housing Sub-Region
• Lamont Housing Sub-Region

The geographic area of each sub-region is detailed in the map below (Leduc County = Leduc Housing Sub-Region).

Figure 1: Map of the CRB Housing Sub-Regions
1.3 METHODOLOGICAL APPROACH

The Sub-Region Housing Needs Assessment follows the questions identified in the approach outlined in the CRB Housing Needs Assessment Framework. While the Framework focuses almost exclusively on quantitative data gathered by secondary sources, there are a couple of areas where reliable data is not available. In these instances, qualitative data is often the only option. In the case of the Sub-Region, in addition to identifying housing supply gaps and imbalances, the CRB was interested in knowing what types of support services and amenities are required either in the housing or in close proximity to meet the needs of the residents. Two meetings were held with community stakeholders to review existing community amenities and services and identify any issues and gaps specifically required to support the residents of Non-Market Housing and Market Affordable Housing. A list of representatives who participated in the meetings in the Strathcona County and the City of Fort Saskatchewan is attached in Appendix C “Community Amenities and Support Services”.

The Housing Need Assessment Framework includes a Housing Assessment Tool (HAT) and a User Guide. The Framework outlines the process for CRB Housing Need Assessments through the HAT analytical model. The HAT reviews and assesses the current housing situation, recent trends and likely future patterns of development. It also seeks to identify housing supply gaps along the housing continuum. While the focus is on assessing requirements for Non-Market Housing and Market Affordable Housing assistance, the Framework allows for the examination of recent market performance, as this sets the context and influences Non-Market Housing issues, such as housing affordability and availability of low-modest priced options. The User Guide describes the process used within an assessment framework and outlines the steps and data elements necessary to create an assessment report.

The Housing Assessment Tool analysis is focused on series of questions ranging from the overall market context through to assessing future need and demand. The findings of the analysis are presented as Excel worksheets, providing focused research findings for each housing assessment question below (CRB Sub Regional Housing Assessment Framework User Guide 2014):

- **Setting the overall market context**
  - What are the Sub-Regional Housing Stock Characteristics: Dwelling, Age, Type and Condition?
  - What are the Population and Household Characteristics of the Sub-Region
  - What is income profile by tenure?
  - What are the trends and current housing prices and rents?

- **Determining nature and extent of housing need and demand (households not served by market)**
  - What is nature of Non-Market Housing need (from NHS 2011, three standards)?
o What are estimates of incidence of Core Housing Need (uses 2006 - to be updated with 2011, when available)?
o What is the nature of Market Affordable Housing demand?

- **What Existing Resources Help to Address Need and Demand?**
o What is the existing Non-Market (e.g. Social) Housing supply and Market Affordable Housing supply in the Sub-Region?

- **To What Extent are the Market and Ongoing Development Reducing or Exacerbating Housing Need and Demand?**
o Based on census/NHS how has the historic rent and income distribution changed (this provides a more complete picture than CMHC rent data)?
  ▪ What are trends (since 2006) in new housing start (by type)?
  ▪ What are rent and price trends (since 2006)?
o What is the existing housing gap - based on the housing continuum?
o Given that need is more acute among renters, what are gaps in rental supply?

- **Assessing Future Housing Need and Demand**
o How will population and Household growth (Projections) impact future need?

The Sub-Region Housing Needs Assessment follows the questions identified in the approach outlined in the Housing Needs Assessment Framework (the HAT and the User Guide).

**1.3.1 Data and Information Sources**

The following housing data sources were used to develop this report:

- 2011 Canada Census - National Household Survey (NHS);
- Canadian Mortgage and Housing Corporation (CMHC) housing market reports (new starts, rents and prices and rental vacancies);
- Edmonton Real Estate Board (EREB) sales data on existing house prices from the Multiple List Service (MLS);
- Various forms of administrative data related to existing supportive and social housing inventories, provided by the City of Edmonton, the Sub-Region (including municipalities and the Leduc Foundation), Alberta Municipal Affairs and CMHC, and;
- Municipal websites and brochures were used to collect information on the availability of community amenities and support services.
1.3.2 Data Limitations

CMHC Core Housing Need Estimates
CMHC uses the census/NHS to generate estimates of core housing need, but has not yet generated updated estimates from the 2011 NHS. The current assessment uses affordability measures as an interim step: households paying over 30% and over 50% of income, supplemented by the 2006 core needs estimates. The assessment can be updated once CMHC releases the update later in 2014.

Canada Census National Household Survey (NHS)
The census provides a rich data set, but is limited by timing, every 5 years and delay in publication (2-3 years delay, so data can become 8 years out of date by end of the census cycle). Other data sources are needed to supplement the census/NHS and to provide inter-censual updates.

Statistics Canada Tax Filer Data
Income data is available from Statistics Canada using Canada Revenue Agency (CRA) tax files data and is updated annually, with an 18 month lag (2011 tax year data currently available; 2012 data will be available in October 2014). This disaggregates by family type (i.e. two parent and lone parent), as well as non-family households, but does not provide tenure.

Statistics Canada also updates population estimates and components of population change (natural vs. immigration) annually.

CMHC Monthly Market Surveys
Rental data (rents and vacancies) are surveyed and published semiannually by CMHC providing regular updates on the state of the market. The data covers privately owned rental apartment buildings containing 3 or more units. Smaller buildings and condominiums are not surveyed, nor is the secondary rental market (e.g. single detached houses, basement suites, etc.). While the survey is a good measure for Edmonton, due to the lack of a traditional rental market in the Sub-Regions, it only covers a small portion of the housing that most renters occupy (less than 25% in some cases) and is therefore not a very reliable indicator of vacancy and rental rates in these areas. Data from the 2011 NHS provide an estimate (based on occupant assessed values in 2011) of the current rental rates of rented accommodation in the Sub-Region.

Market Affordable Housing Supply and Demand Analysis
Market Affordable Housing is modest-sized, entry-level, family-oriented housing capable of being produced without upfront or on-going direct subsidies from any order of government for households earning moderate incomes (see Glossary). There is no available source of data that clearly articulates the type and amount of supply and demand for Market Affordable Housing. A
methodology was developed to show how the existing supply of housing (ownership and rental) matches with household incomes (Demand). The method is explained in detail in Appendix C.

Support Services Gaps
Many of the households in need also require some level of supportive services. This includes emergency and supportive housing as well as various forms of housing which incorporate support services either in house (e.g. 24/7 supervision), or delivered separately via community social service agencies (e.g. home care). While the households in need identified in the assessment include those with special needs, the data required to separate them out and identify support service needs is not available.

The HAT is built largely on the NHS data. It is important going forward that CRB and municipal staff seek out and regularly update data (e.g. via, CMHC, EREB and Tax filer data) and refresh the assessment as a way to monitor ongoing change in need and demand and to evaluate the impact of any plans and policies related to encouraging a full range and type of supply.

1.4 REPORT STRUCTURE

1.4.1 The Leduc Sub-Region
The municipalities that make up the Leduc Sub-Region include the City of Leduc, Leduc County, the towns of Beaumont, Devon and Calmar, and the villages of Thorsby and Warburg. Most of the Non-Market Housing is provided through the Leduc Foundation. A description of the Board and their housing portfolio is discussed in detail in the Current Housing Market section of the report.

1.4.2 The Current Housing Market
The focus of this section is on developing a baseline of key housing indicators and an understanding of housing need and how the market has impacted need over the past 10 years. The main sub-sections include:

- An overview of the sub-regional housing market, including supply and demand for market and non-market housing, household characteristics and income profiles
- A discussion of households in need and the current non-market housing portfolio
- An analysis of the impact of the market and ongoing developments on housing need since 2001
1.4.3 Looking Forward

This section will use the housing continuum to identify existing market and non-market housing gaps and future housing needs and requirements to 2021. Key sections include:

- Customizing the continuum to identify existing supply and demand by tenure and household type (families/singles) for the different types of housing within the continuum, including social, affordable, market affordable and full market housing
- A discussion of the gaps in community amenities and support services
- An overview of existing and future housing requirements and needs by household type and age

1.4.4 Pulling the Evid7ence Together - Conclusions

This section will consolidate insights and findings in the preceding analysis and identify potential policy implications and options.
2. THE LEDUC HOUSING SUB-REGION

The CRB Housing Sub-Regions were proposed and established as a model for regional planning, priority setting, and coordination and managing of non-market housing. The model was based partly on the Leduc Foundation’s change in mandate to “providing affordable accommodation and services to seniors, individuals and families within the geographical area of Leduc County”. More details on Leduc Foundations’ current role in non-market housing are contained in Section 3.3.

3. THE CURRENT HOUSING MARKET

3.1 HOUSING MARKET OVERVIEW

The Housing Market Overview describes the status of the housing market in the Leduc Sub-Region and contrasts it against the capital region in five main areas:

- Housing Stock Characteristics
- Population and Household Characteristics
- Household Income Profile
- House Prices and Rental Rates

Many of the variables used in this section will form the baseline from which future progress can be measured. A thorough understanding of the local housing market and conditions is fundamental to develop effective policy and program responses. A summary of the key findings will be provided at the end of Section 3.

3.1.1 Housing Stock Characteristics

Characteristics of housing stock will set the baseline for describing the type of housing that currently exists in the Leduc Sub-Region. Characteristics considered for the assessment include: dwelling type, tenure, age and condition of the existing housing stock.

3.1.1.1 Dwelling Type

The mix of dwellings by type is the main indicator for determining density and diversity of the housing stock. As the density of housing forms increases, the cost of development decreases. Increased affordability can be realized through several factors including reduced cost of land and building materials, and efficient use of municipal infrastructure. Increased energy efficiency
results in lower operating costs. Comparing the housing form against the type and mix of households that live in the area (next sub-section) helps to refine and further assess whether there is a full range of house types and prices levels (ownership and rental) to accommodate existing and future household growth.

The Leduc Sub-Region contains 22,465 dwelling units or about 5% of the housing stock (431,910 units) located in the Capital Region. Table A1 in Appendix A provides a detailed comparison of the unit mix by type of dwelling.

Overall, the housing stock in the sub-region is somewhat typical of exurban and suburban development - mostly single detached housing with few other choices. The main differences in how the distribution of dwelling units located in the Leduc Sub-Region compares to the CRB are:

- Single Detached - 77% vs. 59% for the CRB;
- Apartments - 8% vs. 24% for the CRB;
- Movable and Other Dwellings - 5% vs. 2% for the CRB.

Graph 1 clearly illustrates the differences between the two locations.

Single detached housing is by far the dominant form at 77% of the total housing stock. Apartments only account for 8% of the total or about 1/3 of the share of the CRB at 24%, even though a number of apartment buildings have been constructed in recent years. The proportion of movable housing represented 5% or 2 and 1/2 times as much as the CRB overall. This is likely a reflection of the nature of residential development in some of the smaller communities and rural properties.
One of the concerns with communities with a high percentage of single detached dwellings is the impacts of the aging of their resident households on their overall populations and socio-demographic compositions of those communities. These include reductions of peak populations generally after the first decade or two, when as the majority of families remain in their homes and their children grow older, area schools experience lower utilization rates and the overall population comprises growing proportions of elderly non-family households. In the absence of a more balanced supply of different housing types, many of these households are forced to relocate to communities that offer multiple-unit structures more suited to seniors housing needs, especially those with lower incomes.

The traditional forms of higher density housing, which generally are more affordable, represent a fairly small portion of the housing stock. Moveable units are often used as affordable housing in rural communities and likely accounts for the relatively high proportion of the stock. However, in the larger centres, the absence of more affordable built forms suggests a dwelling type imbalance that could prevent lower income and/or non-family households (especially renters) from remaining in or moving to the Sub-Region.

### 3.1.1.2 Housing Tenure

Housing tenure will focus on ownership and rental housing. Tenure is important for a couple of reasons. High rates of ownership are a sign of prosperity and stability in a community. However, many households cannot afford to own and rely on the rental market for accommodation that is more affordable. Tenure is another baseline measure.

Out of a total housing stock of 22,465 housing units in the Leduc Sub-Region, 81% or 18,255 dwellings are owner occupied. This compares to 71% for the Capital Region. The ownership rate for single detached housing is 90% vs. 91% for the region. The ownership rate is also very high for semi-detached and duplex housing (74% vs. 65%) compared to the CRB. The rate of home ownership is relatively high and may be as much a result of the attraction of the “single-detached house with the white picket fence” to young families migrating to Leduc and Beaumont as it is a lack of appropriate, affordable rental accommodation.

### 3.1.1.3 Age of Housing

The age of the housing in a community generally reflects the overall condition of the stock. Similar to the population growth experienced by the sub-region in recent years, the housing stock has expanded quite rapidly, especially in relation to historical growth rates and the overall capital region. As a result, housing stock in the Leduc sub-region is newer than the CRB as a whole.

- 61% built of dwellings built after 1980 vs. 51% for the CRB
• 35% built of dwellings built after 2000 vs. 24% for the CRB

Overall, the housing stock is relatively new compared to the capital region overall. See Table A2 in Appendix A for a more detailed breakdown of the age of the housing stock.

### 3.1.1.4 Housing Condition

Housing Condition is an indicator of the health of the structure and the occupants. Housing that is in disrepair has a shorter lifespan and will require redevelopment sooner. Poor housing conditions are associated with a wide range of health conditions including respiratory infections, asthma, lead poisoning, injuries and mental health. The NHS data provides two measures of housing condition: only regular maintenance or minor repairs needed and major repairs needed.

About 5% of the owned housing stock in the Leduc Sub-Region is in need of major repairs versus 6% for the CRB. In the case of the rental stock, 9% is in need of major repair in both the Sub-Region and the Capital Region. Overall, the housing stock is in slightly better condition compared to the CRB, which is not surprising, given that 35% was constructed in the past 13 years.

<table>
<thead>
<tr>
<th>Table 1: Condition (In Need of Major Repairs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leduc Sub-Region</td>
</tr>
<tr>
<td>Owned stock</td>
</tr>
<tr>
<td>Repairs as % all owned</td>
</tr>
<tr>
<td>Rental Stock</td>
</tr>
<tr>
<td>Repairs as % of Rented</td>
</tr>
</tbody>
</table>

Source: Statistics Canada, Canada Census, 2011

While the condition of the Leduc housing stock is similar to the Capital Region, a larger share is relatively newer suggesting some upgrading or redevelopment of the older stock may be appropriate.

### 3.1.2 POPULATION AND HOUSEHOLD CHARACTERISTICS

The demographic profile and location of the population determines the specific impacts of housing demand. The baseline profile provides insight on the population characteristics to highlight key features and differences: Is the population generally older or younger and how might their need and demand change in short-medium future? What type of housing stock will be needed to ensure a range of options to respond to changing needs of existing residents?
Demographic characteristics and population and projections are important because they drive household formation and demand, which impact the number and nature of households in need. However, housing is demanded and consumed by households, so nearly all of the assessment focuses on household characteristics rather than individual population statistics.

### 3.1.2.1 Population by Age

The Sub-Region’s population has a slightly larger share of the population under 20 years of age when compared to the CRB population. Just over 28% of the Leduc sub-region population is under 20 years of age and nearly 72% are 20+ years of age. Comparatively, 24% of the CRB population is under 20 years of age and 76% are 20+ years of age. Although these differences do not stand out, the population of the Leduc Sub-Region is more characteristic of a younger, more family oriented community with a relatively large percentage of the population under 20 years of age. See Table A3 for a more detailed breakdown.

While the details are not presented in this report, it is significant that the Town of Beaumont has the youngest population with 25% between 0 and 14 years of age. This compares to 21% for the Sub-Region and 18% for the CRB. Conversely, only 5% of the population is 65 years of age and over compared to 10% for the sub-region and 11% for the CRB. In terms of the impact on future housing requirements, the age of the household maintainers must be examined before housing requirements can be determined. This discussion takes place in the next section.

### 3.1.2.2 Household Characteristics

Household characteristics and the type of dwelling units that exist are separate and not coordinated, so it is important to examine both in order to gain an understanding of the current state of the local and regional housing markets. There are three household characteristics that will be discussed: type of households, size of households and age of the household maintainers.

#### 3.1.2.2.1 Types of Households

It is important to distinguish between the different types of household in order to analyze and identify priority households and enable more specific policy and program responses. The two main categories of household type available from the NHS data are families and non-families (mainly single person) households. Each category of households includes subsets such as couple families with no children, lone parent families, etc.

While the Leduc Sub-Regions’ population was 60,955 in 2011 or 5.3% of the Capital Region, there were 22,455 households, which represent only 5% of the households in the CRB. This
smaller share of households compared to population is due mainly to the fact that there are more families in the Leduc Sub-Region as a share of the total households - 78% compared to 68% in the Capital Region. Conversely, only 18% of the households are singles compared to 26% for the CRB. These results show an average household size of 2.7 compared to 2.5 for the CRB. The details are included in Table A4 in Appendix A.

All categories of family households represent a larger share of the total than the CRB except for one - lone parent families. The difference is not significant - 7% versus 8% - and has no obvious implications in terms of future policy direction or priority identification. Although lone parent families generally have lower incomes so need may be more affordability related, the lack of housing options for singles make it difficult for separated/divorced spouse to live near to and share responsibilities for children. The results are displayed in Graph 2 below.

In terms of explaining why the Leduc Sub-Region has such a dominance of family households compared to the CRB, other factors have to be considered. For example, over 88% of the Sub-Regional population growth in the past 10 years (2001 – 2011) has been in the City of Leduc and Town of Beaumont. From 2006 – 2011, the number jumps to almost 97% of the growth occurring in these two municipalities alone. And the vast majority of the growth was from families looking for a single detached house with a big yard that was relatively affordable.

One of the unintended consequences of this approach is that today there is very little attraction or appropriate accommodation available for single person households to live in the sub-region. This has future policy implication for both Market Housing and Non-Market Housing, particularly if the CRB is encouraging each of its housing Sub-Regions to be more diverse, inclusive and self-sustainable.
3.1.2.2 Size of Households

In addition to the household type, also important in terms of estimating housing requirements is the number of people in the household. The size and composition of the household determine the size, and to some extent, the type of dwelling (e.g. number of bedrooms) required to meet the needs of the household.

There is a greater representation of larger households in the Leduc Sub-Region:
- 82% of households are greater than 1 person compared to 74% for the CRB;
- 47% of households are 3+ persons compared to 41% in the CRB.
See Table A5 for details and Graph 3 for a comparison of the Leduc Sub-Region and the Capital Region.

![Graph 3: Household Distribution by Size](image)

There are more families and fewer households headed by a single person in the Sub-Region. The differences are noticeable in the 1-person household - 18% versus 26% for the CRB and the 3-4 person household - 37% versus 32%. Part of the reason why there are so few single person households is likely because there are so few bachelor and one-bedroom apartments in the Sub-Region.

3.1.2.2.3 Age of Household Maintainer

The age of the household maintainer is a demographic variable important for understanding the needs of existing households and critical for projecting housing requirements. The age profile of household maintainers in the Leduc Sub-Region is similar to the CRB, with a couple of minor differences:
- The Sub-Region has fewer household maintainers in the under 30 and 70+ years of age ranges. Many renter households are often headed by someone in these age
ranges, so the lower ratio of renter households is not surprising given the low ratio of renters to owners, and;
- The majority of the household maintainers are of working age (30 - 59), which helps explain the high rate of homeownership. While the demand for new homes is driven mainly by in-migration to the Leduc Sub-Region, the existing homeowners are starting to become seniors and the rate will accelerate in the next 5 years and beyond.

A detailed breakdown of the number of household maintainers by age group is provided in Table A6 in Appendix A. The age of the household maintainer will also be used to cross-tabulate against other variables to gain more insight into various dimensions of housing need.

### 3.1.3 HOUSEHOLD INCOME PROFILE

This section will examine the distribution of average and median household income by tenure and age cohort. The data on housing costs provides comparisons with other sub-regions and municipalities, however, household incomes must be included to assess affordability.

#### 3.1.3.1 Households by Income Range

The distribution of households by income range is a good indicator of how many households may be experiencing affordability problems. The results show that household incomes in the Leduc Sub-Region are distributed differently than the CRB. As might be expected, a smaller percentage of households in the Leduc Sub-Region earn less than $60,000 annually compared to the CRB - 30% vs. 38%. Conversely, 44% of the households make $100,000+ annually compared to 37% for the CRB. See Table A7 for details and Graph 4 for a display of the income distribution within the ranges.

Overall, the median income for the Leduc Sub-Region is 14% higher than for the CRB - $90,274 compared to $79,090 respectively, which is considerable from an affordability standpoint. This
higher income reflects the fact there are more families with two-income earners per household and fewer non-family households - both elderly and non-elderly.

### 3.1.3.2 Household Income by Tenure

Owner and Renter households usually have very different levels of incomes, with renters being more concentrated at the lower income ranges and owners more in the higher ranges. This is important because nearly all assisted housing policy is directed to renter households specifically because they have such a high incidence of affordability need.

The Leduc Sub-Region has a higher median homeowner household income compared to the CRB, but not significant - within 5%. On the other hand, the median renter household income is 33.6% higher than the CRB - $63,476 versus $47,521. The Leduc Sub-Region has a relatively small number of renters, but they have significantly higher incomes (34%) than the region as a whole. In part, this reflects the large number of two-parent families (2 earners) renting detached homes, compared to non-family (mainly singles) households who mainly need and demand apartments.

<table>
<thead>
<tr>
<th>Household Income</th>
<th>Leduc Sub-Region</th>
<th>CRB</th>
<th>Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Median owner income $</td>
<td>$98,386</td>
<td>$94,470</td>
<td>4.1%</td>
</tr>
<tr>
<td>Median renter income $</td>
<td>$63,476</td>
<td>$47,521</td>
<td>33.6%</td>
</tr>
<tr>
<td>Renter Median as % owner</td>
<td>65%</td>
<td>50%</td>
<td></td>
</tr>
</tbody>
</table>

Source: Statistics Canada, Canada Census, 2011

The Leduc Sub-Region has a median renter income that represents just 65% of the median owner income compared the CRB's ratio of 50%. This difference is significant and suggests that renters will have a much easier time making the transition to homeownership than in the Region as a whole. The difference is displayed in Graph 5 below.
3.1.3.3 Household Income by Age Group and Tenure

Combining age groups and median income levels by tenure can provide a more refined sense of housing needs and requirements. For example, examining the income distribution of renter households by age group allows builders to gauge the purchasing power of households in need of Market Affordable Housing (e.g. first time homebuyers) and adjust their building models and prices accordingly.

As mentioned earlier, data shows that renters have much lower median household incomes than owners. The median income for renter households is 50% of the median income for owner households across the Capital Region. In the Leduc Sub-Region, the ratio is 65% overall. For some age groups, the ratio is much higher. For example, renter households 25 - 39 years of age have a ratio that is close to 70% compared to about 50% for the same age cohort in the CRB. The financial capability of these households to become homeowners in the Leduc Sub-Region is about 35% greater than in the CRB overall. Conversely, renter households aged 75+ have median incomes of only $19,500 annually, compared to $27,000 for the Capital Region. This suggests an emerging need for seniors housing, some with assisted living that is affordable for seniors with this level of annual income (e.g. subsidized seniors lodge rates).

Graph 6 and 7 below show the relationship between the median renter and median owner household incomes by age groups for the Leduc Sub-Region and the CRB.
Renter household median incomes in the Leduc Sub-Region are over 30% higher than the CRB overall. There is more than one reason for the difference, but the biggest influence is likely the relatively large number of families with more than one income earner who rent housing in the Sub-Region.

### 3.1.4 HOUSING PRICES AND RENTAL RATES

The cost of housing is another important factor in assessing local housing market conditions and establishing baseline data. Housing affordability varies by community because it is a function of income and housing costs by location, for both ownership and rental housing. It is important to track the changes in housing costs by municipality and sub-region to measure change relative to each sub-region and the CRB as a whole over time.

Five different sources of data are used to explain housing costs - 2011 National Household Survey (NHS), 2006 Canada Census, 2001 Canada Census, Edmonton Real Estate Board Multiple Listing Service (MLS) and the CMHC Rental Market Survey.

#### 3.1.4.1 Home Ownership

Homeownership is important for several reasons:

- Pride of ownership;
- Sense of security and well-being - payments are fixed and only subject to interest rate fluctuations upon renewal, and;
Wealth creation due to rising property values and tax-free capital gains.

Homeownership is the dominant tenure in Alberta, comprising the majority of the housing market, both in households and stock. It is important to understand the cost of homeownership and monitor it over time to observe how it changes. There are two sources for that are used to determine the relative cost of ownership housing: the NHS (every 5 years) and more frequent MLS (monthly) data.

3.1.4.1.1 2011 National Household Survey (NHS)

Data from the NHS provides a point in time estimate (based on occupant assessed values) of the distribution of owners by the current value of their homes.

While the data in Table A8 is based on a homeowner estimate, it shows the distribution of home values being slightly more modest than the CRB:

- 45% are below $350,000 vs. 42% for the CRB
- 15% are above $500,000 vs. 19% for the CRB

The median value of a home is virtually identical at $350,000. The distribution of the ownership housing between the two geographies shows up very clearly in Graph 8 below.

The distribution of house prices is largely a result of the type and price range of the product that has been most prevalent in the Leduc Sub-Region housing marketplace over the past 10 to 15 years.

3.1.4.1.2 Edmonton Real Estate Board

Sales data from the Edmonton Real Estate Board’s Multiple Listing Service (MLS) is a consistent and comprehensive source of information on real estate values for the various
housing types. Single detached housing and condos are similar in price, whereas semi-detached and row housing have a lower median sales price by almost 14% in the Leduc Sub-Region. Condos did record a slightly higher median price (about 3%). Table 3 below includes the median sales price by dwelling type for 2013.

<table>
<thead>
<tr>
<th>Average House Price</th>
<th>Leduc Sub-Region</th>
<th>CRB</th>
<th>Difference (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Detached</td>
<td>$380,000</td>
<td>$380,000</td>
<td>-</td>
</tr>
<tr>
<td>Semi/row</td>
<td>$276,750</td>
<td>$315,000</td>
<td>(13.8%)</td>
</tr>
<tr>
<td>Condo</td>
<td>$232,000</td>
<td>$226,000</td>
<td>2.6%</td>
</tr>
</tbody>
</table>

Source: Edmonton Real Estate Board, MLS Sales

The MLS sales data suggests that overall median house prices in the Leduc Sub-Region are on par with the rest of the Capital Region. Some of the smaller municipalities and rural subdivisions in the County that few sales may not be well represented in the data because they are such a small share of the total sales.

3.1.4.2 Rental Housing

Similarly, there are two sources for determining the relative cost of rental housing: The NHS (every 5 years) and the CMHC Rental Survey (spring and fall annually).

3.1.4.2.1 2011 National Household Survey (NHS)

Again, data from the NHS provides a point in time estimate (based on occupant rent paid) of the distribution of renters by rental rate ranges (2011).

Overall, renter households in the Leduc Sub-region paid more for rent, as evidenced by the following (see Table A9):

- 32% of renters paid less than $1,000 for monthly rent compared to 46% for the CRB
- 51% of renters paid $1,200+ for monthly rent compared to 44% in the CRB
- 28% of renters paid $1,500+ for monthly rent compared to 15% in the CRB

The distribution of renter households by rental range can clearly be seen in Graph 9 below.
Median shelter costs for renter households were over 17% higher in the Leduc Sub-Region compared to the CRB in 2011. This reflects the preponderance of rented single family dwellings, duplexes and condominiums, which typically have higher rents than smaller apartment units. For example, 40% of renter households live in single-detached housing compared to 31% who live in apartments. This makes it very difficult for lower income renters to affordable housing that is suitable and adequate to address their needs in an affordable setting.

3.1.4.2.2 CMHC Rental Market Survey

CMHC’s Rental Market Survey only covers purpose built structures of 3+ units, which in the case of the Leduc Sub-Region, cover less than 25% of the renter-occupied housing stock. However, the surveys are consistent and there are many years of reliable data available, so they do provide useful information that is comparable across sub-regions.

Overall, rental rates in privately owned apartments are similar between the two geographies with no noticeable differences. The specific rates by number of bedrooms are shown in Table 4.

### Table 4: Apartment Rental Rates, 2013

<table>
<thead>
<tr>
<th>Average Rental Rates</th>
<th>Leduc Sub-Region</th>
<th>CRB</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bachelor</td>
<td>$766</td>
<td>$785</td>
</tr>
<tr>
<td>One-bedroom</td>
<td>$904</td>
<td>$934</td>
</tr>
<tr>
<td>Two-bedroom</td>
<td>$1157</td>
<td>$1142</td>
</tr>
<tr>
<td>3+ bedroom</td>
<td>$1274</td>
<td>$1292</td>
</tr>
</tbody>
</table>

CMHC Rental Market Survey, 2013

5 Some caution is needed in interpreting this data because the CMHC rental survey covers only purpose built apartments and row units; the occupied rental stock includes many detached or duplex homes which have higher rents, and rented investor owned condominiums that are not included in the survey data.
It would appear from the vacancy data that 3 bedroom rental units are in the highest demand in terms of size in the Leduc Sub-Region. In 2012 and 2013, 3-bedroom units had the lowest vacancy rates according to the CMHC apartment survey 1.1% and 1.2% consecutively. This reflects the large number of families who are rent housing in the Leduc Sub-Region.

3.1.5 SUMMARY

- The housing stock is predominantly low density single detached housing that is relatively new with 35% of the overall stock being 13 years old or newer. The tenure is highly skewed toward homeownership, with relatively few traditional rental opportunities available in the Sub-Region.
- Despite the younger age of the housing stock, the percent in need of major repair mirrors the capital region average, suggesting that there may be opportunities to rehabilitate or redevelopment some of the older dwellings through in-fill housing.
- The demographic profile shows a much younger population with a greater share of children and relatively a smaller share of senior citizens. The population is concentrated in Leduc City, Beaumont, and Devon, with a large share spread out through Leduc County.
- The household make-up is predominantly families, comprising 78% of households, with only small portion of single person households - 18% including seniors - compared to the CRB. It is not surprising that a large portion of households - 47% - are 3+ persons compared to 41% for the CRB. While the demographic profile of households is similar, the Leduc Sub-Region has a slightly larger household size, reflecting more families and less singles.
- The Leduc Sub-Region has a larger share of households who earn more than $100,000 annually (44%) compare to the CRB overall. Overall, the median income is 14% higher overall compared to the CRB - $90,274 compared to $79,090. There is an even greater divergence among renter households. The median renter household income is 33.6% higher than the CRB - $63,476 versus $47,521.
- The distribution of house values among homeowners was similar to the CRB in 2011. There were slightly more houses valued at less than $200,000 and fewer properties valued at over $500,000, compared to the CRB.
- In terms of rental rates, 31% of renter households paid less than $1,000 for rent compared to 46% in the CRB; Conversely, 28% paid $1,500+ for monthly rent (more often for single-detached housing) compared to 15% in the CRB (more often apartments). Given that house prices are more modest and rental rates are higher on average than the CRB, there
is a lot of incentive for renters in the Leduc Sub-Region to become homeowners. This could partially explain the low percentage of renters in the sub-region.

- Rental housing in the Leduc Sub-Region appears to be in short supply and more expensive than Edmonton. This is partly because most of the purpose-built rental housing has been built in the last 10 – 15 years and therefore commands a premium similar to newly constructed housing in Edmonton at this time. It also reflects (in census data) the higher rents in detached rented homes.
- The low number of smaller rental units limits options for lower rent, more affordable accommodation. This will also influence the locational decisions of small non-family households, especially singles and some seniors. This small number of lower rent market units has implications for affordability and need.

2 HOUSEHOLDS IN NEED

Determining the nature and extent of households in need is the main reason for undertaking a housing needs assessment. Comparing the distribution of the households in need with the portfolio of non-market units across the capital region will point to the gaps that currently exist. This will facilitate priority setting and capital planning, ensuring that the gaps and imbalances in the supply and need for non-market housing are identified.

Determining the nature and extent of the need and demand for Non-Market Housing and Market Affordable Housing respectively is the main reason for undertaking a housing needs assessment. Comparing the distribution of the households in Non-Market Housing need and Market Affordable Housing demand with the portfolio of Non-Market and Market Affordable Housing units across the Capital Region will point to the gaps that currently exist and that are forecast into the future. This will facilitate priority setting and planning for the inclusion and funding of these units, ensuring that the gaps and imbalances in the supply, need and demand for these units are identified.

Canada Mortgage and Housing Corporation (CMHC) have developed a core-housing need measure, which uses a two-step process:

1. Does a household experience any one of or a combination of problems based of three standard measures of suitability (number of bedrooms compared to household composition), condition (need for major repair) and affordability (paying greater than 30%)? And,
2. Is the household’s gross income below a specified threshold (which is separately calculated for each Census Metropolitan Area (CMA) and for each household size, 1 person 2 person etc.)?

The number and incidence of households experiencing each of the three standard measures is available for the Leduc Sub-Region and the CRB from the 2011 NHS. The data will be used to reveal how the incidence of suitability, adequacy and affordability varies across different households.
Affordability includes two measures - those households paying more than 30% and those paying more than 50% of their income for housing.

In the absence of the 2011 Core Housing Need estimates, proxy measures are used. These cover the three standards used in the CMHC model, but without the income threshold (Step 2). A proxy for core need can be to use those paying greater than 50%, which is often considered an extreme and acute threshold or very heavily rent burdened households. Another proxy is to use a factor of median income by household type.

3.2.1 The 2011 National Household Survey and Housing Need

The incidence of households experiencing each of the three suitability, adequacy and affordability problems is shown in Table A10. The Leduc Sub-Region has a lower incidence of need in all of the categories except adequacy, when compared to the Capital Region. If renter households are separated, the difference is similar, except for the >50% affordability measure, which is a third less than the CRB overall. In the housing market overview, households in the Leduc Sub-Region had higher median incomes, but rental rates were also higher. The net result is that there are a lower percentage of households experiencing affordability problems in the Leduc Sub-Region compared to the Capital Region.

3.2.1.1 Housing Need by Type and Tenure

The comparative incidence of need by household type and tenure is clearly illustrated in the Graph 10 below. It compares renter households to all other households. If we examined each tenure separately, the much higher incidence of need for renter households is striking – more than five times as high as it is for homeowners.
3.2.1.2 Renter Households by Type of Need and Household

The number of renter households in need by type of problem and household type in the Leduc Sub-Region is found in Table A11. In terms of absolute numbers of households in need, highlights of the number of households by type of housing problem are:

- 275 households had suitability problems comprised mainly of other families and singles;
- 375 households had adequacy problems comprised mainly of singles and couples with children;
- 2,035 households paid more than 30% of their income for housing, comprised mainly of singles and lone-parent families;
- 945 households paid more than 50% of their income for housing, comprised mainly of singles and lone-parent families;

The number and type of households in need by type of problem is displayed in Graph 11. In terms of absolute numbers, there were 750 non-family households in need paying more than 30% of their income for housing and 380 of them paid more than 50% of their income. This level of need among mainly single-person households is significant because they only represent 20% of the household type in the Sub-Region. It suggests more non-market housing for non-family households (singles) is a priority.

While absolute numbers of each type of household in need are important when it comes to determining funding levels, in terms of prioritizing who is in greatest need, the incidence or rate of occurrence of need by each household type must also be considered. Overall, 9% of households had an adequacy problem, 7% had a suitability problem, 35% experienced affordability problem at 30% and 14% had a problem at 50%. The most acute cases of need by housing problem are highlighted below:

- 11% of lone-parent families and 10% of non-family households experienced adequacy problems;
• 29% of other families and 7% of lone-parent families experienced suitability problems;
• 56% of lone-parent families and 44% of non-families experienced affordability need at 30%;
• 22% of lone-parent families and 22% of non-families experienced affordability need at 50%.

*The incidence of need among renter households by household type and problem is shown in Graph 12.*

![Graph 12: Incidence of Need by Type of Household and Problem, 2011](image)

### 3.2.1.3 Renter Housing Need by Household Type of Household and Age

Another dimension of housing need is the age of the household maintainer. Generally, newly formed households have relatively low incomes because they are younger (they have less experience and earn less). As the household maintainers age, they generally earn more and have more disposable income. Eventually, as household maintainers age and become seniors and retire, their incomes are generally lower, fixed at a monthly rate and decline in real dollars over time.

This trend is fairly evident in the picture portrayed in Graph 13; Family households with households maintainers under the age of 45 have very high incidences of need at 76%. The ratio declines dramatically after 45, with a slight blip up to 34% between 65 and 75 years of age. Single person households are the opposite; they experience relatively low incidences of need under 45 years of age and then the levels spike to 68% between 65 and 75 and upward to 92% for households 75+. 
A review of the data in Table 6 shows there are 475 renters who are also seniors (see Table 6). However, when cross-tabulated with age, the income component and low number of responses causes the data to be suppressed for confidentiality reasons. It does show there are 420 single renter senior households in need compared to 55 senior households who are couples.

The number of renter households by type of household and age are contained in Table 6.

Table 6: Number of Renter Households in Need by Type of Household and Age, 2011

<table>
<thead>
<tr>
<th>Age Cohort</th>
<th>Type of Household</th>
<th>Total</th>
<th>Family</th>
<th>Lone-Parent</th>
<th>Single</th>
<th>2+ unattached</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td></td>
<td>1,455</td>
<td>705</td>
<td>290</td>
<td>670</td>
<td>75</td>
</tr>
<tr>
<td>&lt;25 Years</td>
<td></td>
<td>105</td>
<td>80</td>
<td>20</td>
<td>25</td>
<td>0</td>
</tr>
<tr>
<td>25-44 Years</td>
<td></td>
<td>595</td>
<td>455</td>
<td>230</td>
<td>75</td>
<td>0</td>
</tr>
<tr>
<td>45-64 Years</td>
<td></td>
<td>320</td>
<td>90</td>
<td>0</td>
<td>185</td>
<td>0</td>
</tr>
<tr>
<td>65-74 Years</td>
<td></td>
<td>190</td>
<td>60</td>
<td>0</td>
<td>130</td>
<td>0</td>
</tr>
<tr>
<td>75+ Years</td>
<td></td>
<td>245</td>
<td>20</td>
<td>0</td>
<td>225</td>
<td>0</td>
</tr>
</tbody>
</table>

The incidence of need is highest among non-family households and single non-person households also account for the largest number of households in need. Whether incidence out weights actually numbers in terms of priority setting is a matter of debate for every sub-Region. The number of renter households in need by type of household and age is displayed in Graph 14.
A couple of key points stand out in the Leduc Sub-Region:

- The high degree of suitability problems among 2+ family households (about 100 households);
- The high degree of affordability need among lone-parent family renter households at both the 30% and 50% levels of affordability. It does suggest that the Leduc Sub-Region needs to encourage more rental housing for single-parent families (3-bedroom housing suitable for children) that are affordable in the Sub-Region, and;
- The incidence and number of single-person households in need is also high, again suggesting the need for bachelor and 1-bedroom rental housing that is affordable. While most of the need is from the 25-44 year age group, there is also need from single seniors, especially over 75+ years of age.

### 3.2.2 2011 Core Housing Need Estimates

As mentioned earlier, due to the absence of the 2011 Core Housing Need estimates, the 2006 estimates for the Edmonton CMA will be used for illustrative purposes. Once the 2011 data is available this section can be updated with estimates for the Leduc Sub-Region and the Capital Region with a more robust analysis of the data.

It is useful to drill into core need data to explore which particular households are most in need. The data in Table A12 in Appendix A shows there were 41,220 households in the Edmonton CMA (2006) in Core Housing Need. Even though the majority of households are owners, renter households out-number owners almost 2½: 1. The reason is because the incidence of need among renters is much higher (5.4 times) than owner households. Overall, 4.6% of owner households are
in core need compared to 24.6% of renter households. In short, problems are far more acute for renter households.

Graph 15 shows that in term of age cohorts, seniors who were renters had the highest incidence of Core Housing Need in the Edmonton CMA in 2006.

Graph 15 shows that in term of age cohorts, seniors who were renters had the highest incidence of Core Housing Need in the Edmonton CMA in 2006.

The data in Table A13 in Appendix A breaks down the renter households in core need by age and household type. The data shows that in terms of absolute numbers, non-family households had the highest number of households in need, with families coming in a close second. As well, there were quite a few renters aged 45-64 in need as well as a many lone parent families in the 30 - 44 year age group.

It is important to examine the types of households who are in core need. Graph 16 shows that lone parent family renter households between the ages of 15-29 had the highest incidence of need (60%) among family households and single-person seniors’ households have the highest incidence (50%) among non-family households in the Edmonton CMA. This is critically important information to know when making funding allocation decisions and searching for appropriate solutions to address the gaps in need.
The results and trends are similar to the findings and discussion on the 2011 National Household Survey on housing need from the previous discussion. In fact, core need does not change very much between census takings. Once the core need data is available for the capital sub-region municipalities, a detailed review and analysis of the data may be undertaken to determine whether there are differences between the Leduc Sub-Region and the Capital Region as a whole.

### 3.2.3 SUMMARY AND CONCLUSION

While the NHS data is useful, it does not have the inputs required to disaggregate the Core Housing Need data (unable to determine an income threshold). However, the NHS data does show some similar trends:

- Single person households (including seniors) and lone parent families have the highest incidence of need among all households:
- In terms of incidence by age, the highest are:
  - Singles under the age of 25;
  - Lone parent families between 25 and 54, and;
  - Household heads aged 75+ (2/3’s single person households)

It is recommended that the CRB “Adopt CMHC’s Core Housing Need as the standard data source for measuring housing need, starting with an order for the 2011 Core Housing Need”.

The Core Housing Need data will be available to order in the fall of 2014. In the interim, the 50% measure of affordability for renters will be used to assess current housing needs for the Leduc Sub-Region.
3.3 EXISTING RESOURCES TO MEET THE EXISTING HOUSING NEED

Traditionally, the provision of Non-Market Housing has been the preferred way governments and communities have used to address housing needs. Most Non-Market Housing is provided in the form of new housing units, although another effective method has been through rental supplements, or housing allowances which piggy-back on existing rental units to improve affordability of existing housing.

It is important to understand the different types of Non-Market Housing that already exist within the sub-region. The Leduc Foundation has been the managing entity for non-market housing in the region for over 10 years. The Foundation operates seniors supportive living (lodge) facilities in Leduc and Warburg, provides supportive living supplements in Beaumont and Devon, as well as operates seniors’ apartment buildings in Leduc, Beaumont, Devon, Calmar, Thorsby and the Hamlet of New Sarepta in Leduc County. Subsidized and affordable housing units for individuals and families are located in Leduc, Beaumont, Devon, and Calmar, with rent supplements provided throughout the Leduc Region. The Non-Market Housing portfolio includes 598 units in 17 buildings and 188 rental supplements in numerous locations throughout the sub-region. A detailed breakdown of the housing portfolio by program is provided in Table 7 below.

Table 7: Non-Market Housing Portfolio by Program, Leduc Sub-Region and the CBR

<table>
<thead>
<tr>
<th>Type of Housing/Program</th>
<th>Leduc Sub-Region</th>
<th>CRB</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number</td>
<td>%</td>
</tr>
<tr>
<td>Emergency Shelters</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interim Accommodation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Permanent Supportive Housing</td>
<td>181</td>
<td>23%</td>
</tr>
<tr>
<td>Supported (homeless) Housing</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non Profit Housing</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Community Housing</td>
<td>42</td>
<td>5.3%</td>
</tr>
<tr>
<td>Seniors’ Self- Contained Housing</td>
<td>170</td>
<td>21.6%</td>
</tr>
<tr>
<td>Rent Supplements</td>
<td>188</td>
<td>32.9%</td>
</tr>
<tr>
<td>Affordable Housing</td>
<td>205</td>
<td>32.9%</td>
</tr>
<tr>
<td>Co-op Housing</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Secondary Suites</td>
<td>215</td>
<td>0.8%</td>
</tr>
<tr>
<td>Total</td>
<td>786</td>
<td>100%</td>
</tr>
</tbody>
</table>

Source: Leduc Foundation

As a proportion of all housing in the sub-region, the Non Market Housing Portfolio represents 3.5% (786/22,465) of the total housing stock in the sub-region. This compares to the Non-Market
Housing portfolio in the capital region, which represents 6.2% of the total housing stock (27,935/451,910) and is also much lower than the national average, which approximates 5% of all housing.

In terms of overall share, the Leduc Sub-Region has 786 Non Market Housing units or 2.79% (907/27,935) of the CRB Non Market Housing Portfolio. This is partly because until about 10 years ago, most of the non-market housing delivery in the sub-region was focussed on seniors, while assistance for other households such as lower-income families and singles was concentrated in Edmonton.

When it comes to assessing and prioritizing the existing households in need, it is important to factor into the equation who (household type) who is being by the existing portfolio. As shown in Table 8, 50% of the existing portfolio is for families, which is higher than the CRB at 47%. However, 45% of the units are for seniors compared to 29% for the CRB. This leaves only 5.5% of the housing available to single household persons (which include special needs households) compared to 24% for the CRB. This is understandable given that the Leduc Foundation only provided housing for seniors for about the first 40 years of its history. For the past 10 years or so, the Foundation has expanded its role to provide a variety of affordable housing options for families and others. Significant progress has been made over the past decade or so, but more may need to be done to balance the portfolio in accordance with existing and future estimates of need.

Table 8: Clientele Served by Non-Market Housing (NMH) Portfolio

| Geography/Clientele | Families | | | Seniors | | | Total |
|---------------------|----------|----------|----------|----------|----------|----------|
|                     | HHs      | %        | HHs      | %        | HHs      | %        | HHs      | %        |
| Leduc Sub-Region    | 392      | 50%      | 43       | 5.5%     | 351      | 45%      | 786      | 100%     |
| CRB                 | 13,144   | 47%      | 6,687    | 24%      | 8,104    | 29%      | 27,935   | 100%     |

Source: Leduc Foundation

When it comes to assessing need and identifying gaps, the existing Non Market Housing Portfolio should be considered. What level of service is it providing overall and by type of household/ client compared to the CRB? Is the current balance in terms of clientele appropriate? The only way to know is to look at the breakdown of who is in need by household type. Table 9 provides an overview of the NMH portfolio and the number of households in need by client group for the Leduc Sub-Region. Combined, they make up the number of households that require financial assistance.
### Table 9: Non-Market Housing (NMH) Portfolio and Need, 2011

<table>
<thead>
<tr>
<th>Geography</th>
<th>Families</th>
<th></th>
<th></th>
<th></th>
<th>Total</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>HHs</td>
<td>%</td>
<td>HHs</td>
<td>%</td>
<td>HHs</td>
<td>%</td>
</tr>
<tr>
<td>NMH Portfolio (1)</td>
<td>392</td>
<td>50%</td>
<td>43</td>
<td>5.5%</td>
<td>351</td>
<td>45%</td>
</tr>
<tr>
<td>Households in Need</td>
<td>710</td>
<td>48.6%</td>
<td>425</td>
<td>29.1%</td>
<td>325</td>
<td>22.3%</td>
</tr>
<tr>
<td>Total (2)</td>
<td>1102</td>
<td>49.1%</td>
<td>468</td>
<td>20.8%</td>
<td>676</td>
<td>30.1%</td>
</tr>
<tr>
<td>Service Level (1/2)</td>
<td>1356</td>
<td>51.9%</td>
<td>9.2%</td>
<td>51.9%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Leduc Foundation

It is fairly clear to see there is a misalignment of Non-Market Housing to need with the existing portfolio. Generally, seniors are over-served, single households are significantly underserved, and families could use more housing, in accordance with their share of the housing needs.

### Table 10: Market Affordable Housing Demand and Supply

<table>
<thead>
<tr>
<th></th>
<th>Families</th>
<th>Singles</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Demand</td>
<td>1,991</td>
<td>1,266</td>
<td>3,257</td>
</tr>
<tr>
<td>Supply</td>
<td>5,276</td>
<td>721</td>
<td>5,997</td>
</tr>
</tbody>
</table>

In the case of Market Affordable Housing, there is a significant surplus of housing for families and a shortage of housing for single person households. The surplus is somewhat theoretical because households with higher incomes (and lower to some extent) can also access this housing. But the data does show that there is a need for more rental housing for non-family (single) households, especially those with lower incomes.

### 3.4 IMPACT OF THE MARKET AND ON-GOING DEVELOPMENT ON HOUSING NEED

Now that we have a profile of the types of households and dwelling units that currently exist, including some of the gaps in terms of dwelling types, tenure and affordability, it is important to examine how well the market has been responding in the recent past. While new construction has much less influence on changing the profile of a larger city like Edmonton, the smaller CRB sub-regions surrounding Edmonton are much influenced because they are smaller and therefore are impacted more by new development. This is one of the reasons why the Leduc Sub-Region has relatively newer housing stock.

What we really want to determine in this section is how recent developments have impacted housing needs in terms of the magnitude and nature of the need.
3.4.1 TRENDS IN RENT DISTRIBUTION

The custom tabulation from the 2011 National Household Survey combines with data from the 2001 and 2006 Census reveal how historic rental rates have changed over the past decade. This provides a more complete picture than CMHC rent data alone can provide (CMHC rental survey covers only part of the rental market).

Sub-Region. The following trends can be observed:

- A general erosion of rental units priced below $900/month, especially between 2006 and 2011;
- A significant increase in the number of rental units priced above $900/month (reflects new units which have higher rents, as well as a shift in rents of existing units);
- An even greater increase in the number of rental units (over 1,700 units) priced above $1,300/month, especially from 2006 and 2011.

Overall, median rental rates increased from $606/month to $1,201/month over the 10 years, an increase of 98%. About 2/3’s of the increase occurred between 2006 and 2001. Over 1,600 rental units were built during this time, most of which had rents over $900/month. However, due mainly to rent inflation, there is a significant "loss of lower rent options below $900 (down by 1300 units)"

Over 12,000 rental units were built in the CRB, most of which had rents above $700/month. Similar trends can be observed in the CRB (see Graph 18):

- The reduction in lower cost units under $600/month in rent diminished more quickly from 2001 to 2006;
- Rental units in the $700 - $900/month expanded between 2001 and 2006;
- There was also a big jump in rental units (over 19,000 units) priced above $1,500 - $2,000/month from 2006 to 2011. To a degree, this reflects new growth from investor owned rented condominiums.
Overall, median rental rates increased from $595/month to $1,026/month over the 10 years, an increase of 72%, most of which occurred between 2006 and 2011. It should be noted that this large increase in rents reflects the strong influence of higher rent new units, especially rented condominiums. This is somewhat different from the trends in existing rentals, which are captured in the CMHC survey. However it is clear that two trends prevail in the Leduc Sub-Region and across the CRB:

- The number of more affordable lower rent options is declining (even as low income populations grows); and
- Almost all growth is at the higher rent end of the market, which may respond to general demand, but does not help low-modest income individuals or families.

The data in Graph 19 shows the gains and losses in the rental stock (units) by rental rate range from 2001-06 and 2006-11. It is fairly obvious that the losses were in the lower cost units and the gains were in the higher cost units, especially units with rental rates in the $1,300 - $2,000/month.

![Graph 19: Change in Rent Distribution, 2001 - 11](image)

**3.4.2 Trend in Housing Starts**

Housing starts are the best indicator of new (construction) housing supply. It is important to understand past trends in the types of housing and levels of construction to see what is being produced and whether it had an impact (reducing or exacerbating) on the number of households in need. To what extent are recent construction types helping to respond to emerging shifts in
requirements or new trends? This dataset tracks new housing construction and distinguished built form, single family dwellings, row housing, apartments etc., as well as whether at the time of construction dwellings were built (intended) as ownership or rental.

3.4.2.1 Activity Levels

Reviewing housing starts across the Leduc Sub-Region over the past eight years highlights a few trends:

- New construction levels plunged after real estate prices peaked in early 2007. The financial crisis in 2008 exacerbated the slowdown;
- The trend in housing starts bottomed out in 2009 and has been climbing since. Activity levels from 2010 through 2013 have not fully recovered to 2006-07 levels, but have remained strong and consistent, and;
- Multi-family starts peaked at over 60% of the market in 2008. They have since fallen back, but not to pre-2008 levels when they represented a much smaller share of the market. Multi-family starts represented 40% of the market in 2013.

While there has been a noticeable improvement in terms of producing more multi-family housing, actions need to be taken to ensure that more options and choices of housing continue to be built in the Leduc Sub-Region. This is particularly important for Leduc and Beaumont if they want to continue being sustainable and inclusive in the future. The details are contained in Table A14 in Appendix A. The trends in housing starts by type of dwelling are clearly displayed in Graph 20.
3.4.2.2 Activity by Intended Market

The CMHC data set also tracks the intended use of the building (rental versus ownership) at the time of construction. This information is important in terms of knowing the intentions of condominium developers in particular, especially since the construction of purpose-built rental building virtually disappeared across the country several decades ago.

The data contained in Table A15 is for the same 8 year time period. The data portrays a different picture than the entire region:

- The condominium ownership market was fairly strong in 2007-08 and in 2010-11; in the last couple of years, the condominium market seems to have disappeared in the Leduc sub-Region. They may be a result of the market responding to the strong demand for single detached housing from family households.
- The other trend that is fairly obvious from viewing Graph 14 is the unexpected pick-up in rental starts in 2010 and 2011. This was partly a result of the Affordable Housing Program and temporary CEAP (09-11), but has since dropped off to more historical and very low levels.
- The result is a continued dominance of homeownership product in new construction activity. While this is a response by builders to a perceived demand, this dominance in the marketplace could result in a mismatch between housing provision, demand and need.

The trends in housing starts by type of dwelling are clearly displayed in Graph 21.

![Graph 21: Housing Starts by Intended Market, 2006 - 2013](image)

The shortage of rental housing has been exacerbated by the lack of construction of both condominium and rental construction over the past 5 years. And some of the starts were stimulated by the federal/provincial capital grants for new affordable rental construction, so even...
fewer were pure market housing. Without government funding, rental starts would be even lower.

### 3.4.3 TRENDS IN RENT LEVELS AND HOUSE PRICES

Statistics from CMHC’s Rental Market Survey is used to examine trends in rental rates since 2006. The price/rent is examined from two angles - overall (average market rates) and for newly-constructed only, so that the impact of new construction can be isolated and more accurately portrayed in terms of effects on affordability.

#### 3.4.3.1 CMHC Average Rental Rates

Average rents for all sizes of units rose by 55% from 2006 through 2013. This compares with about 41% overall for the CRB. The biggest increases were for 3+ bedrooms (59%) and bachelor units (57%) in the Leduc Sub-Region. In the capital region, 3-bedroom units experienced the biggest increase in rental rates at 43%, followed by 2-bedroom units at 41%. This level of increase is fairly strong, especially given the increasing number of households who have been able to become homeowners due mainly to low mortgage interest rates. It also reflects a rental market where demand outstrips supply, making it possible for landlords to increase rental rates.

Rental vacancy rates in the Leduc Sub-Region increased from 0.4% in 2012 to 3.8% in 2013. This is contrary to the Edmonton CMA which experienced a decrease from 1.7% in 2012 to 1.4% in 2013. Somewhat puzzling is the vacancy rate for larger units. The two bedroom rental increased from 0.6% to 3.8% and the three bedroom and larger units increased from 0 to 5.3%. It is unclear why vacancy rates are up from 2012 when rental rates increased by over 5% during the same time.

Table11 provides the average rental rates for privately owned rental building containing 3+ units by dwelling type for 2006 and 2013. Annual rental rates can be found in Table A16.

#### Table 11: Apartment Rental Rates, 2006 - 2013

| Average Apt. Rental Rates $ | Leduc Sub-Region | | | CRB | | |
|-----------------------------|------------------|---|---|---|---|
| Bachelor                    | 489              | 766 | 56.6% | 561 | 784 | 39.8% |
| One-bedroom                 | 612              | 904 | 47.7% | 666 | 934 | 40.2% |
| Two-bedroom                 | 762              | 1,157 | 51.8% | 808 | 1,141 | 41.2% |
| 3+ bedroom                  | 803              | 1,274 | 58.7% | 902 | 1,292 | 43.2% |
| Average                     | 721              | 1,115 | 54.7% | 745 | 1,053 | 41.3% |

CMHC Rental Market Survey, 2011 and 2013
3.4.3.2 CMHC Rental Rates for Newly - Constructed Units.

For obvious reasons, new rental units receive a premium in most housing markets, especially when vacancy rates are low. Data from the CMHC rental survey for the Leduc Sub-Region shows that rental rates for newly constructed units (excluding non-market housing units) are on average about 17% higher than the market average. As such they contribute to overall rental supply, but are not adding to the supply of affordable housing. Graph 22 shows the premium on all units constructed since 2000 compared to the overall market. The trend is fairly consistent between Leduc and the Capital Region, although the rate spread is a little bigger across the capital region as a whole.

The other important observation is the lack of new bachelor units and very little activity for 1 and 3 bedroom units since 2000. Unless there is a concerted effort to build more of these units, it could prevent single person households from moving to the Leduc area and put pressure on new renters from the Leduc Sub-Region to move away. As well, young families who cannot afford ownership may not be able to live in the sub-region due to a lack of suitable, affordable rental housing.

3.4.3.3 House Prices

The Edmonton Real Estate Board’s Multi Listing Service (MLS) databank was used to generate custom reports on median sales prices and the number of listings by dwelling type (single, semi/row and condominium and other) from 2006 to 2013. The median sales prices by dwelling type and year are included in Table A17.

The results are not surprising - the median sales price, based on the sale of existing homes, is comparable to the Capital Region as a whole. It would appear from the data on median sales prices that the Leduc Sub-Region (Beaumont and Leduc mainly) has no real price advantage over the rest of the Capital Region. In fact, median prices overall have increased about 55% in both geographies since 2006. Median sales prices have edged up in those communities at a faster pace than the capital region as a whole. As of 2013, there was a difference of less than 3% between the two geographies. It should be noted that average and median sales prices do not take into account the size, amenities and location of the sales, which can have a significant impact on the sales price and skew the average and median prices.
Summary

House prices and rents increased at a faster pace than inflation during the past 10 years. Median rents increased by 98% between 2001 and 2011, resulting in a significant decline in availability of affordable rental housing = lower priced rent stock declined by nearly 1,300 homes.

Housing starts in recent years have been dominated by detached homes, although ownership options have been augmented by condominiums, which account for most of the multi-unit starts and have significantly higher rental rates. Very few rental housing units have been constructed, averaging less than 7.6% (515) of all housing starts since 2000. However, no purpose-built bachelor, 1-bedroom and 3-bedroom rental units have been constructed since 2000. This low level of purpose-built rental housing construction combined with an already low level of rental housing inventory has created a significant shortage of rental housing across the housing Continuum.

In conclusion, it would appear that some progress was made in the 2006-08 period and then the normal trends in construction - single-detached houses for ownership - continued until recently. Efforts to encourage more variety in built form and opportunities for rental situations (e.g. secondary suites) will be required for the Sub-Region to have an inclusive and sustainable community.
4. THE FUTURE HOUSING MARKET

4.1 THE HOUSING CONTINUUM DEMAND AND SUPPLY GAPS AND MISMATCH

The assessment has used the concept of a housing continuum to illustrate the range of dwelling types by tenure and price range relative to the housing requirements of the population, based on income and norm of paying 30% for shelter. The continuum is quantified using the distribution of actual rents, home prices and incomes in the sub-region to graphically illustrate gaps in housing supply. The segments of the continuum are determined as a percentage of the average family income across the CRB (using the census metropolitan area, CMA). These cover 4 distinct segments: two non-market reflecting traditional social (rent geared to income) housing and more recent “affordable” (as under the Affordable Housing Initiative), as well as market affordable (based on incomes up to area average) and general market which is affordable to those with incomes above the average, which for Edmonton (CMA, 2011) was $85,000 (see Table A18 for details). Separate graphs for singles and families are included in Appendix C, but for the report the continuum for all households is reviewed and discussed.

Graph 23: How Much Housing Is Available For Different Income Groups

The Sub-Region housing continuum shows:

- **Non-Market Social** (0 - $42,500 Household income). There is a shortage of owned housing or rental units priced or renting at levels affordable to households with incomes up to $42,500.
Compared to the number of households in the Sub-Region, there is a shortage of approximating 1,300 dwellings.

- **Non-Market Affordable** ($42,500 - $63,750 household income). There is a “surplus supply” of about 1,300 dwellings. However, households in the Non-Market Social housing range unable to find housing there are forced to occupy higher rent units in this price range, and the next, and pay well over 30% of household income. So some additional supply of rental housing is also required in this intermediate segment.

- **Market Affordable** ($63,750 - $85,000 household income). There is a theoretical surplus of 3,500 homes, both for rent and for sale, in this income and price band. However, there is a shortage of about 1,400 homes for single person households; the surplus is all related to an oversupply of family oriented housing in this price range.

- **Full Market** ($85,000+ household income). There is a theoretical shortage of nearly 4,500 houses in this price range for households with incomes above $85,000 (100% of the CMA average income). The data shows there is a shortage of housing for both families and singles person households, suggesting that many households either choose to or have no option other than accessing housing in the market affordable range.

The 1,300 shortfall in the lowest income and affordability band applies almost exclusively to rental units in the lower rent ranges (<$749/month). The need is mainly from non-family renter households earning less than $29,750, but also from family households earning less than $42,500.

While there are more households with incomes above $85,000 than housing available in the range they can afford, the surplus of units that are available for middle income households can also be access by higher income households. The main issue in the Sub-Region is the shortage of rental housing overall, creating a competitive aspect and upward pressure on rental rates in the Sub-Region. The impact is greatest for the lower income households, the majority (2/3’s) of which are single-person households. As affordability is the main problem, it would seem that small bachelor and one-bedroom apartments and some larger 3 and 4 bedroom units that are affordable to these households are the solution.

### 4.2 RENTAL MARKET SUPPLY AND AFFORDABILITY BY INCOME BAND

As mentioned earlier, renters are identified with a higher incidence of housing need. In part this reflects the typically lower incomes among renters and thus more affordability issues. This section is a further exploration of the continuum, but focusing only on rental options. As in the continuum,
it converts incomes into equivalent rents, using the 30% shelter to income criteria and then seeks to create income groups that at their boundaries align with rent groups.

Using 2011 census (NHS) data it is possible to examine the relative distribution of incomes versus rents. Based on the norm of spending no more than 30% for rent, and based on the number of households in each income band, estimates of the number of rental units required in each rent or income band can be derived. Comparing this theoretical requirement against the existing range of rents that exists (again from 2011 NHS data) provides a way to identify the gap of mismatch between what renters in the area can afford and what they are currently paying. It also reveals the extent to which there is a shortfall in the number of lower rent units in the area.

Graph 24 reveals how many family and single person renters there are in each affordable rent (derived from their income, and converting to an equivalent rent at 30% of income); this is compared to the number of rental units available (dotted line).

Graph 24 confirms that there is a significant shortfall in the number of rental units in lower rent ranges (<$749/month). The majority of the need is from non-family renter households earning less than $29,750. There is a surplus of units in the mid to high rent range (i.e. $750 - $2,000/month). The large surplus above $2,000 is theoretical (it is derived from income data – and shows what households in higher income could afford. But most of them actually occupy lower rent units (in the $1,500-$2,000 range and pay much less than 30%). These higher income renter households may be enabling landlords to raise their rates across the board, creating a kind of trickle-up effect.

It would appear from the data that many of the higher rent properties are single detached dwelling (40% of rents live in single-detached housing) and may at some point be for sale. As affordability is the main problem, it would seem that small bachelor and one-bedroom apartments and some larger 3 and 4 bedroom units that are affordable to these households are the solution.
4.3 GAPS IN COMMUNITY AMENITIES AND SUPPORT SERVICES

The information contained in this section is qualitative in nature and is not intended to be an assessment of community amenities and support services. Quantifying the need for various levels of supportive services requires a much broader set of measures and data, and is beyond the scope of a Housing Need Assessment. However, the information from the meeting of stakeholders will provide a qualitative assessment of the community amenity and support service issues that exist within the Leduc Sub-Region. A detailed listing of community amenities and support services is included in Appendix C.

A summary of the discussion of issues and gaps is also included in Appendix C for information. Rather than go into a detailed discussion of each gap, a general assessment of the overall level of supports that exist within the Leduc Sub-Region and the impact they have on addressing the non-market housing needs.

The main gap that was identified was transportation. Public transportation is a major concern in the Leduc Sub-Region. The City of Leduc is the only municipality with transit service to the Century Park LRT Station in south Edmonton, and the service is only available during morning and evening peak hours for the workforce and student populations. There are also transportation services available for persons with disabilities and some seniors’ facilities have mini-buses, but both services are limited in terms of availability. Otherwise, private automobile and taxis’ are the only other option for anyone living in the Leduc Sub-Region.

Due to its important in terms of regional priorities and growth, transportation and housing are most effectively delivered when they are coordinated regionally. The transportation links to Edmonton are critical to the future growth of the region. Better public transit and disabled transit services are required to ensure that the region continues to be an inclusive community with opportunities for everyone to thrive in their daily living. Any future non-market housing should take the current transportation challenges into consideration when determining the type and location of any future non market housing projects in the Leduc Sub-Region.

Besides transportation, the main issue is that there is very little available in the way of a network of supports. In most instances, services are accessed through a sort of “intake” service at the local level. Anything beyond a basic level of support (e.g. counselling, advisory services, etc.) must be accessed through a facility or service located in Edmonton. And then transportation becomes the priority issue. And many of the non-market housing tenants require transportation services that are flexible enough to enable services like dialysis that can take the better part of a day to receive.

Many of the services required by non-market housing clientele are not specialized and could be delivered locally. In many instances, there may even be cost savings, albeit small, and improved service and enhanced quality of life by allowing people requiring support to remain in their communities.
The really good example of locally provided support is home care. Whether this is because the home care is valued as a cost-effective method of saving health care dollars by keeping seniors in their homes longer is not known. There are many other individuals in the Leduc Sub-Region that have needs that cannot be met locally at this time.

A couple of really good examples of services that are currently being provided successfully and effectively in the Strathcona Sub-Region could also be introduced in the Leduc Sub-Region. The Robinhood Association provides a variety of programs and services for children and adults, including numerous residential housing options to approximately 200 adults, with disabilities. They currently operate 40 group homes and 20 support homes in Strathcona Sub-Region. As well, the Strathcona Shelter Society operates an emergency shelter with in-house supports and outreach services to ensure that the women and children are provided with the supports they need to transition out to a new living environment.

There is a need for supportive housing (whether it is in-house or a wraparound service model) for other special needs groups as well. The two examples demonstrate that services can provided regional that appear to working well and providing much needed services for local residents.

Other gaps that were identified include homeless people, shelter and more support for domestic violence, cultural transition facilitator, affordable day care, grief support, inpatient mental health facilities, outpatient mental health supportive housing, shortage of support workers, and housing/support for persons with developmental disabilities.

**Implications:**

There is a component of the households in need who required certain community amenities and support services in close proximity to non-market housing. In other instances such as group homes, a full-time care provider may be required 24/7 to make the arrangement work. Unless these services are made available locally, it will not be feasible to provide housing for certain special needs households in the Sub-Region. Edmonton may be the only option.

There is a need to examine the service delivery models being used in the capital region. In other instances such as daycare, the gap could be addressed through increased subsidies for lower-income families.

**4.4 HOUSING REQUIREMENTS – NEED AND DEMAND 2015 - 2021**

The final consideration is how housing requirements and needs change over time. This draws on population and household projections developed for the CRB. The method used to generate the projections used historic fertility, mortality and household formation rates within each sub-region and then aggregated these up to the CRB level. The population projections also include the
number of households by age cohort resulting from the growth. Because such projections rely on a range of assumptions they are typically developed to generate high and low estimates. The high projection is used to estimate the number of housing requirements resulting from population and employment growth, breaking out Non-Market and Market Affordable Housing need and demand.

**Total Housing Requirements**

Total household growth under a low and high estimate for the aggregate CRB was examined to assess the implications for future growth in housing requirements. This revealed that across the region, household growth over the next seven years (2015-2021) is anticipated to average between 10,200-12,800 households per year. In terms of the Sub-Region, and given historic household formation patterns, this translates into between 673 - 1,108 households on average per year, depending upon the scenario used. See Table 12 for the annual growth under high and low scenarios.

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<tr>
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<td>28,714</td>
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<td>684</td>
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<td>709</td>
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</tr>
<tr>
<td><strong>HIGH GROWTH SCENARIO</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>26,101</td>
<td>27,175</td>
<td>27,175</td>
<td>29,382</td>
<td>30,514</td>
<td>31,665</td>
<td>32,797</td>
<td></td>
</tr>
<tr>
<td>Difference New Units</td>
<td>1,062</td>
<td>1,074</td>
<td>0</td>
<td>2,207</td>
<td>1,132</td>
<td>1,151</td>
<td>1,132</td>
<td>1,108</td>
</tr>
</tbody>
</table>

The emphasis in terms of new construction must be on building higher density forms of housing, with a real effort to encourage the construction of rental housing.

**Non-Market Housing Need**

The incidence of affordability need discussed earlier from the 2006 Core Need estimates for Edmonton CMA (see section on Core Housing Need) was applied to the projected housing requirements to determine the number of households in need. However, because the population projections only include age cohorts with no estimate of tenure or household type, the projections are of limited value. However, it does provide a broad indicator of the volume of overall growth and potential volume of increased need.

Rather than determining the growth in the number of households in need, it is recommended that each Sub-Region simply take a share of the overall value. This should be set as a minimum target for production of new affordable and supportive housing in order that the current backlog of need is capped and does not grow further.
The population projections estimate that the number of households in need to be 1,123 to 1,407 per year for the Capital Region. At the Sub-Regional level, the number of households in need would grow (high scenario) by 122 households annually. The household growth in need by year and age cohort is shown in Table 13 below.

Table 13: Annual Growth of Households in Need (High Growth Scenario)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>15-24</td>
<td>2</td>
<td>3</td>
<td>2</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>0</td>
<td>2</td>
<td>1%</td>
</tr>
<tr>
<td>25-44</td>
<td>33</td>
<td>29</td>
<td>34</td>
<td>32</td>
<td>32</td>
<td>30</td>
<td>23</td>
<td>31</td>
<td>25%</td>
</tr>
<tr>
<td>45-64</td>
<td>31</td>
<td>36</td>
<td>31</td>
<td>33</td>
<td>34</td>
<td>35</td>
<td>38</td>
<td>34</td>
<td>28%</td>
</tr>
<tr>
<td>65+</td>
<td>44</td>
<td>43</td>
<td>48</td>
<td>53</td>
<td>53</td>
<td>57</td>
<td>56</td>
<td>51</td>
<td>42%</td>
</tr>
<tr>
<td>All Ages</td>
<td>117</td>
<td>118</td>
<td>-</td>
<td>243</td>
<td>125</td>
<td>127</td>
<td>125</td>
<td>122</td>
<td>100%</td>
</tr>
</tbody>
</table>

The three noticeable trends in terms of the growth of future households in need by age are:

- The number of households in the 15-24 year age cohort is fairly constant over the 7 year period;
- The number of households in the 25 - 64 age cohort represent the majority of growth in households in need over the 7 years, increasing by on average 65 households annually, and;
- The number of seniors in need increases dramatically over the 7 years, increasing by an average of 51 households annually or about 42% of the need.

The annual trend in the growth of households in need by age is very noticeable in Graph 25.

While not insignificant, growth of 122 households in need each year (7-year average) is a low number compared to the scale of outstanding need - 605 households paying more than 50% of
their income for housing. As mentioned above, this should be set as a minimum target for production of new Non-Market Housing in order that the current backlog of need is capped and does not grow further.

**Market Affordable Housing Demand**

The existing supply of Market Affordable Housing far exceeds the demand - 10,296 units compared to 4,888 households (See Graph 23). All of the excess supply is single detached housing intended for ownership, but there is demand for higher density, smaller units that rent for a reasonable rate, specifically for single person households.

In terms of share of the overall market, the number of households currently in the Market Affordable Housing income range represents 14% of all households (See Graph 23). If we apply this to the household projections for the Sub-Region, the demand is for about 155 units annually over the next 7 years (see Table 14).

<table>
<thead>
<tr>
<th>Table 14: Market Affordable Housing Demand, 2015 - 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Housing Requirements</strong></td>
</tr>
<tr>
<td>-------</td>
</tr>
<tr>
<td>1,062</td>
</tr>
<tr>
<td><strong>Market Affordable Housing Demand</strong></td>
</tr>
<tr>
<td>149</td>
</tr>
</tbody>
</table>

However, due to the large surplus of market affordable inventory, it will be several year before new units are required to accommodate growth. That said, there is still a shortage of rental housing. The current supply does not match the need and demand.

### 4.5 EXISTING AND FUTURE HOUSING REQUIREMENTS - NEED AND DEMAND

The total housing needs and requirements are a culmination of existing housing needs and future housing requirements resulting from population growth. The existing housing needs are based on the number of households paying 50% or more of their income. While the existing households are delineated by household type – families, lone parent families, singles and seniors – future needs are determined by age group in accordance with the methodology used to project population and household growth. Existing housing needs by household type for the Sub-Region are summarized in Table 15.
Table 15: Existing Housing Needs for the Leduc Sub-Region

<table>
<thead>
<tr>
<th>Household Type</th>
<th>Number of Households in Need</th>
<th>Share of Need</th>
</tr>
</thead>
<tbody>
<tr>
<td>Families</td>
<td>70</td>
<td>12%</td>
</tr>
<tr>
<td>Lone Parent Families</td>
<td>105</td>
<td>17%</td>
</tr>
<tr>
<td>Singles</td>
<td>250</td>
<td>41%</td>
</tr>
<tr>
<td>Seniors</td>
<td>180</td>
<td>30%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>605</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

Existing housing needs and future (annual) housing requirements and needs for the low and high scenarios are contained in Table 17.

Table 16: Existing and Future (Annual Average) Housing Requirements, 2015 -2021

<table>
<thead>
<tr>
<th>Location</th>
<th>Existing Needs (i.e. paying 50%+)</th>
<th>Future Housing Needs and Requirements</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>HH Growth</td>
</tr>
<tr>
<td>CRB</td>
<td>27,990</td>
<td>12,791</td>
</tr>
<tr>
<td>Sub-Region</td>
<td>605</td>
<td>1,108</td>
</tr>
</tbody>
</table>

Note: The Market Affordable demand of 262 housing per year is

Some thought should be given to establishing a policy that would enable the CRB to allocate/re-allocate resources to any sub-region to address emergency high priority needs. This could apply to a range of issues from purchasing land to facilitate development to an unexpected immediate need for housing. This would enable the CRB to act strategically where it is in the best interests of the capital region.

The 2009 Capital Region Housing Plan identified an imbalance of housing resources compared to need across the region. Specifically, the issue was that Edmonton had a much higher proportion of the non-market housing units compared to its needs within the capital region. A funding allocation policy would enable more resources to flow to those sub-regions who need to address the existing backlog of housing need and move toward a re-balancing of the non-market portfolio across the Capital Region.
4.6 CONCLUSION

While the housing supply is sufficient to meet overall housing requirements (number of units matches the number of households), there is a shortage of about 1,300 units at the lower end of the income scale (less than 50% of median income). The shortfall applies almost exclusively to rental housing and comes mainly from non-family renter households earning less than $29,750, but also from family households (mainly lone-parents) earning less than $42,500.

There is a component of the households in need who require certain community amenities and support services in close proximity to their housing. In most cases, the required services are only available in Edmonton. Unless these services are made available locally, it is not be feasible to provide housing for certain special needs households in the Sub-Region. There is a need to examine the service delivery models being used in the Capital Region. In other instances such as daycare, the gap could be addressed through increased subsidies for lower-income families.

The Sub-Region will require about 1,100 new housing units every year to keep up with demand from population growth. In addition to the 605 households currently in need, another 122 new Non-Market Housing units will be required to meet the growth in households in need. The trend in new households in need is toward households aged 65+. The need for seniors housing will continue to grow in terms of the proportion of households in need. This will include housing options from independent living to long term care.
5. **PULLING THE EVIDENCE TOGETHER**

The following section will consolidate insights and findings in the preceding analysis and identify gaps and implications and some potential policy and program options. The intent is not to develop policy and program responses to address the need. The results of the needs assessment are the foundation upon which to build an action plan to address the needs and gaps identified through the assessment.

5.1 **HOUSING MARKET SUPPLY AND DEMAND**

The housing market in the Sub-Region can be described as one where the housing stock is relatively new, predominantly single detached dwellings, nearly all of which are owner-occupied with relatively few traditional rental opportunities available. The condition of the housing stock is comparable to the Capital Region, which suggests there are some redevelopment opportunities.

The household composition is predominantly families with a relatively small portion of single person households, including seniors. The Leduc Sub-Region has fewer household maintainers in the under 30 and 70+ years of age ranges. The majority of the household maintainers are of working age (30 - 59), which helps explain the high rate of homeownership. The existing homeowners are starting to become seniors and the rate will accelerate in the next 7 years.

The median income for households in the Sub-Region is 14% higher compared to the Capital Region - $90,274 vs. $79,090. While the median home value in the Sub-Region is very similar to the Capital Region, rents are 17% higher than the Capital Region. This is partly because most of the purpose-built rental housing is relatively new and commands a premium rent. It also reflects the fact that 40% of renters live in single-detached housing which costs more to rent. Nearly 30% of renters paid more than $1,500 for rent in 2011 compared to 15% in the Capital Region.

Median rents increased by 98% between 2001 and 2011, resulting in a significant loss of nearly 1,300 units of affordable rental housing. Just over 500 units were built over the 10 years, but most had rents above $900/month. However, no purpose-built bachelor and 1-bedroom rental units have been constructed since 2000. This has created a significant shortage of rental housing across the housing Continuum.

- **Identifying the Supply Mismatch**

The assessment uses the concept of a housing continuum to illustrate the range of dwelling types by tenure and price range relative to the housing requirements of the population, based on income and norm of paying 30% for shelter. The continuum is quantified using the distribution of actual rents, home prices and incomes in the sub-region to graphically illustrate gaps in housing.
supply and surpluses across the continuum. The appendices of the report presents separate charts for singles and families, because they require different dwelling types; the summary chart below combines all households.

**Graph ES1: How Much Housing Is Available For Different Income Groups**

<table>
<thead>
<tr>
<th>Income Band</th>
<th>Households</th>
<th>Total Houses</th>
<th>Shortage/Supply</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-Market Social (0 - $42,500)</td>
<td>3,009</td>
<td>4,283</td>
<td>-1,274</td>
</tr>
<tr>
<td>Non-Market Affordable ($42,500 - $63,750)</td>
<td>4,202</td>
<td>2,910</td>
<td>1,292</td>
</tr>
<tr>
<td>Market Affordable ($63,750 - $85,000)</td>
<td>6,623</td>
<td>3,163</td>
<td>-3,460</td>
</tr>
<tr>
<td>Full Market ($85,000+)</td>
<td>12,079</td>
<td>7,641</td>
<td>4,438</td>
</tr>
</tbody>
</table>

The Sub-Region housing continuum shows:

- **Non-Market Social** (0 - $42,500 Household income). There is a shortage of owned housing or rental units priced or renting at levels affordable to households with incomes up to $42,500. Compared to the number of households, there is a shortage of approximating 1,300 dwellings.

- **Non-Market Affordable** ($42,500 - $63,750 household income). There is a “surplus supply” of about 1,300 dwellings. However, households in this range unable to find housing there are forced to occupy higher rent units in this price range, and the next, and pay well over 30% of household income. So some additional supply of rental housing is also required in this intermediate segment.

- **Market Affordable** ($63,750 - $85,000 household income). There is a theoretical surplus of 3,500 homes, both for rent and for sale, in this income and price band. However, there is a shortage of about 1,400 homes for single person households; the surplus is all related to an oversupply of family oriented housing in this price range.

- **Full Market** ($85,000+ household income). There is a theoretical shortage of nearly 4,500 houses in this price range for households with incomes above $85,000 (100% of the CMA average income). The data shows there is a shortage of housing for both families and singles person households, suggesting that many households either choose to or have no option other than accessing housing in the market affordable range.
The 1,300 shortfall in the lowest income and affordability band applies almost exclusively to rental units in the lower rent ranges (<$749/month). The need is mainly from non-family renter households earning less than $29,750, but also from family households earning less than $42,500. Small bachelor and one-bedroom apartments for singles and some larger 3 and 4 bedroom units for families that are affordable to households in these income ranges will address the need.

**HOUSING MARKET SUPPLY AND DEMAND**

<table>
<thead>
<tr>
<th>GAPS</th>
<th>IMPLICATIONS</th>
<th>POLICY/PROGRAM OPTIONS</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Overall surplus of housing, but a shortage of about 1,400 rental housing units consisting of small bachelor and one-bedroom units for single person (including seniors) households and 3-bedroom units for families. Specifically, there is a shortage of housing for: o All income categories of non-family households, especially for those earning less than $29,750, resulting in a deficit of nearly 2,000 units, and; o The lower income category of family households, especially those earning less than $1,063/month, resulting in a deficit of 1,000 units. o All forms of housing other than single detached.</td>
<td>• Young adults leaving home have few rental options they can afford; • Aging seniors will place considerable demand on rental housing when they sell their homes; • The shortage of rental housing and demand from high income earners inflates rental rates; • Need to promote higher density forms of housing across the Sub-Region.</td>
<td>• Reduce taxes for new rental housing • New rental housing tax credit (federal/provincial) • New capital grants for new rental housing • Reduce development charges • Adopt Inclusionary housing policy • Prevent condo conversion • Allow/promote secondary suites.</td>
</tr>
</tbody>
</table>
5.2 NON-MARKET HOUSING NEED (EXISTING)

The incidence of dwellings in poor condition and experiencing over-crowding is low. Housing problems are predominantly related to affordability and impact mainly renters (reflecting lower incomes and thus greater risk of affordability challenges). About 1/3 of renters in the Sub-Region pay over 30% of their income for shelter and about 14% pay over 50%.

The breakdown of households in need by type is shown below:

### NON-MARKET HOUSING NEED - SOCIAL AND AFFORDABLE

<table>
<thead>
<tr>
<th>GAPS - SOCIAL</th>
<th>HHs in Need</th>
<th>IMPLICATIONS</th>
<th>POLICY/PROGRAM OPTIONS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Household Type</td>
<td>Affordability 50%+</td>
<td>· The limited availability of smaller apartment options as well as few lower-rent properties contribute to affordability (and to a smaller extent to suitability) problems by inflating rents;</td>
<td>· Substantial capital and on-going operating subsidies to construct and operate Non-Market (Social) Housing;</td>
</tr>
<tr>
<td>Family W/O Children</td>
<td>45</td>
<td>· Single person households (including seniors) in need of Non-Market Housing may be forced to leave the Sub-Region to find housing they can afford;</td>
<td>· Non-Market (Affordable) Housing gap requires one-time capital grants;</td>
</tr>
<tr>
<td>Family W Children</td>
<td>50</td>
<td>· The 605 renter households paying more than 50% of their income for housing require deep subsidies to address their needs.</td>
<td>· Both types of housing would also benefit from:</td>
</tr>
<tr>
<td>Lone-Parent-Family</td>
<td>115</td>
<td>· The 870 renters paying between 30% and 50%</td>
<td>o Reduce/eliminate taxes for new rental housing;</td>
</tr>
<tr>
<td>Other (MF)</td>
<td>0</td>
<td></td>
<td>o New rental housing tax credit (fed/provincial);</td>
</tr>
<tr>
<td>Non-Family</td>
<td>380</td>
<td></td>
<td>o Reduce/eliminate development charges;</td>
</tr>
<tr>
<td>Total</td>
<td>605</td>
<td></td>
<td>o Adopt inclusionary housing policy;</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>GAPS - AFFORDABLE</th>
<th>HHs in Need</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Household Type</td>
<td>Affordability 30% - 50%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Family W/O Children</td>
<td>130</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Family W Children</td>
<td>145</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lone-Parent-Family</td>
<td>175</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other (MF)</td>
<td>50</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-Family</td>
<td>370</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>870</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The backlog of households in need is extensive
· Lone-parent families had the highest incidence of need at both the 30% and 50% levels;
· Singles had the second highest incidence of need at both the 30% and 50%.

---

6 Included in the 2,035 households paying more than 30% of their income for housing are 475 seniors, of which 335 are 75+years of age.
5.3 MARKET AFFORDABLE HOUSING DEMAND (EXISTING)

The existing supply of Market Affordable Housing far exceeds the demand - 10,296 units compared to 4,888 households (See Graph 23). All of the excess supply is single detached housing intended for ownership, but there is demand for higher density, smaller units that rent for a reasonable rate, specifically for single person households. The demand from new growth is about 281 units annually over the next 7 years (see Table 16). However, due to the large surplus of 5,000 market affordable inventory, it will be several years before new units are required to accommodate growth. That said there is still a shortage of rental housing. The current supply does not match the need and demand.

### MARKET AFFORDABLE DEMAND

<table>
<thead>
<tr>
<th>GAPS</th>
<th>IMPLICATIONS</th>
<th>POLICY/PROGRAM OPTIONS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shortage of smaller bachelor and one-bedroom rental units for single person (including seniors) households</td>
<td>Young adults leaving home have few rental options they can afford; Aging independent seniors will place considerable demand on rental housing when they sell their homes</td>
<td>Reduce taxes for new rental housing; Introduce a rental housing tax credit; Reduce/reimburse development charges; Adopt an Inclusionary housing policy; Prevent condo conversion; Encourage secondary suites; Encourage and support plans that conform to higher density developments; Adopt alternative development standards and regulations; Adopt alternative development standards and regulations; Facilitate the development approval process; Appoint a Housing Facilitator to fast track affordable housing applications; Improve coordination between civic departments; Integrate planning between municipal departments; Introduce a tax moratorium; Educate the public about the benefits of higher density development; Encourage innovative designs to improve affordability; Innovative construction techniques and materials that improve affordability; Sharing of best practices to support/facilitate knowledge transfer; Hold a competition to design and build an affordable housing project; Encourage infill and intensification to lower per unit land costs through higher density.</td>
</tr>
</tbody>
</table>
5.4 SUPPORT SERVICES

The information contained in this section is qualitative in nature and is not intended to be an assessment of community amenities and support services - a quantitative assessment requires a much broader set of measures and data and is beyond the scope of a Housing Need Assessment. Community amenities and support services located in the Sub-Region were reviewed by stakeholders and gaps were identified.

### COMMUNITY AMENITIES AND SUPPORT SERVICES

<table>
<thead>
<tr>
<th>GAPS</th>
<th>IMPLICATIONS</th>
<th>POLICY/PROGRAM OPTIONS</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Inadequate public transportation (including services for the disabled/elderly)</td>
<td>• Lower income households who requires supports and are without affordable transportation options may have to leave the Sub-Region</td>
<td>• There is a need to examine the service delivery models being used in the capital region. In some instances, the gaps can be reduced through subsidies (e.g. day care, PDD). In other cases, it may require a change in the delivery model used by public agencies such as Alberta Health Services.</td>
</tr>
<tr>
<td>• Anything beyond a basic level of support (e.g. in-take and assessment, counselling, etc.) must be accessed through a facility or service located in Edmonton</td>
<td>• Many of the services required by non-market housing clientele are not specialized and could be delivered locally. In many instances, there may even be cost savings and improved service and enhanced quality of life by allowing people requiring support to remain in their communities. The really good example of locally provided support is home care.</td>
<td></td>
</tr>
<tr>
<td>• There is a component of the households in need who required certain community amenities and support services in close proximity to non-market housing. In other instances such as group homes, a full-time care provider may be required 24/7 to make the arrangement work.</td>
<td>• Unless these services are made available locally, it will not be feasible to provide housing for certain special needs households in the Sub-Region. Edmonton may be the only option.</td>
<td></td>
</tr>
</tbody>
</table>
5.5 LOOKING FORWARD

The final consideration is how housing requirements/demand and needs change over time. This draws on population and household projections developed for the CRB. Future housing requirements, incorporating both Non-Market Housing need and Market Affordable Housing demand (annual) for the high scenario are as follows:

<table>
<thead>
<tr>
<th>Age Cohorts</th>
<th>Total Housing Requirements</th>
<th>Non Market</th>
<th>Market Affordable</th>
<th>Total Housing Requirements</th>
<th>Non Market</th>
<th>Market Affordable</th>
</tr>
</thead>
<tbody>
<tr>
<td>15-24</td>
<td>6</td>
<td>2</td>
<td>-</td>
<td>0%</td>
<td>-2%</td>
<td>-</td>
</tr>
<tr>
<td>25-44</td>
<td>468</td>
<td>31</td>
<td>-</td>
<td>36%</td>
<td>35%</td>
<td>-</td>
</tr>
<tr>
<td>45-64</td>
<td>322</td>
<td>34</td>
<td>-</td>
<td>25%</td>
<td>18%</td>
<td>-</td>
</tr>
<tr>
<td>65+</td>
<td>514</td>
<td>51</td>
<td>-</td>
<td>39%</td>
<td>48%</td>
<td>-</td>
</tr>
<tr>
<td>All Ages</td>
<td>1,310</td>
<td>122</td>
<td>-</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
</tr>
</tbody>
</table>

Both existing and future housing requirements, needs and demand must be considered in the development of public policy and planning for Non-Market and Market Affordable Housing. The information on the housing market can be used in the development of long range planning (e.g. MDP’s) and land use policies to ensure that the entire housing market is balanced and functioning in an inclusive manner, as well as support initiatives to improve housing affordability (e.g. flexible zoning to support higher density), specifically Market Affordable Housing.

5.5.1 Implications and Policy and Program Responses

The implications for future need and demand is similar to the existing need and demand with one exception - the growth in senior households (nearly half of future needs) will place increasing pressure on all housing options from independent living to supportive housing. Policy and Program responses will have to consider ways to ensure that the production of seniors housing does not fall behind, both in terms of overall output (housing units) and affordability. Over the past 5 to 10 years, the majority of seniors housing has been constructed as pure market housing with some affordable units. The needs assessment for Sub-Region suggests that more Non-Market and Market Affordable housing will be required to keep up with the growth of the senior households.

It is recommended that Sub-Regions do not need to separately determine growth in the need for Non-Market and demand for Market Affordable Housing. Rather, they can simply take a per capital share of the overall value. This should be set as a minimum target for production of new
Non-Market and Market Affordable Housing in order that the current backlog of need is capped and does not grow further.

Some thought should be given to establishing a CRB policy that would enable the CRB to allocate/re-allocate resources to any sub-region to address emergency high priority needs. This could apply to a range of issues from purchasing land to facilitate development to an unexpected immediate need for housing. This would enable the CRB to act strategically where it is in the best interests of the capital region.

The fundamental CRB policy question that needs to be addressed as the basis of future regional housing planning efforts in the Capital Region is the extent to which the CRB wants its each of its Sub-Regions outside of Edmonton to become more “stand-alone”/socially self-sustaining by developing the full range of housing (e.g. rental housing, housing for lower-income, single-person households, housing for the homeless) and/or housing supports (e.g. public transit) in their areas to enable households of all life cycles and income groups and housing needs groups to remain living in those areas, and not be forced to move to Edmonton or elsewhere due to a lack of housing choice and opportunity in all CRB Sub-Regions.

The workshops for municipal decision-makers across the Capital Region will review how to use the Sub-Regional need assessments and the tool (HAT) to understand the housing market and system, but the focus will be using the assessment to identify appropriate and effective policy, program and investment responses.

5.5.2 Where To From Here....

The Capital Region Board wants to ensure that its municipalities support a diverse range of housing types and tenures that are available to all income levels. To achieve this, the CRB is promoting integrated and coordinated planning of Non-Market and Market Affordable Housing at the sub-regional scale. The Capital Region Board Housing Plan provides direction to develop a 10-year regional housing plan based on sub-regional planning targeted to address identified housing needs. As well, provincial funding and regional planning priorities should be guided by sub-regional planning efforts, which in turn, would benefit from the use of standardized planning and assessment tools.

Understanding local conditions and housing needs and demand is necessary for developing effective solutions. Now that the Sub-Region Housing Needs Assessment is complete, the next step in implementing the CRB Housing Plan is development of a Regional Planning Framework. This would incorporate both Non-Market and Market Affordable Housing and build upon the results of the need assessment. The result will be a Regional Housing Plan with a 10 year timeframe that incorporates changing trends and gaps in the existing supply of housing with
future housing need and demand and directs the supply of Non-Market and Market Affordable Housing throughout the Capital Region.

The Regional Planning Framework should include development, delivery and evaluation of a Region Housing Plan. The framework should also define the parameters and contents of a sub-regional housing plan (e.g. planning and reporting formats, guidelines, funding targets, etc.), timing, coordination with the provincial planning process, collaboration with key housing and community stakeholders, annual action plans, monitoring, reporting and evaluation, etc.

The diagram below outlines the work completed, where we are today in the process and what else needs to be completed to develop and implement the regional planning approach outlined in the Capital Region Housing Plan.

5.6 RECOMMENDATIONS

1. Support the Sub-Regional Housing Need Assessment as the core analysis of housing need within the Sub-region.

2. Develop key planning steps to facilitate CRB and Sub-Region housing policy and program decisions including:
   a. Drafting housing need responses, policy considerations and planning options, at the Capital Region and Sub-region scale at the CRB Housing Needs Assessment
Workshop, once all six Sub-region Housing Needs Assessments have been undertaken;

b. Consulting on housing need program and policy responses with housing authorities specifically and the community in general;

c. Develop action plans to address Non-Market and Market Affordable Housing.

3. Adopt CMHC’s Core Housing Need as the standard data source for measuring housing need, starting with an order for the 2011 Core Housing Need.

4. Annually update the CRB Housing Assessment Tool through the Housing Advisory Working Group or an alternate, updating key baseline data and reporting on Sub-region housing performance on an annual basis.
   a. Update income profiles by accessing federal Tax Filer data annually (custom order).
APPENDICES
Appendix A
### Table A1: Distribution of Dwellings by Type and Tenure, 2011

<table>
<thead>
<tr>
<th>Dwelling Types</th>
<th>Leduc Sub-Region</th>
<th></th>
<th>CRB</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Dwellings</td>
<td>%</td>
<td>% Owned</td>
<td>Dwellings</td>
</tr>
<tr>
<td>Single-Detached</td>
<td>17,340</td>
<td>77%</td>
<td>90%</td>
<td>265,555</td>
</tr>
<tr>
<td>Semi/Duplex</td>
<td>1,085</td>
<td>5%</td>
<td>74%</td>
<td>32,260</td>
</tr>
<tr>
<td>Row</td>
<td>1,065</td>
<td>5%</td>
<td>46%</td>
<td>37,150</td>
</tr>
<tr>
<td>Apartment</td>
<td>1,890</td>
<td>8%</td>
<td>22%</td>
<td>109,350</td>
</tr>
<tr>
<td>Other/Moveable</td>
<td>1,085</td>
<td>5%</td>
<td>84%</td>
<td>7,595</td>
</tr>
<tr>
<td><strong>Total Dwellings</strong></td>
<td>22,465</td>
<td>100%</td>
<td>81%</td>
<td>451,910</td>
</tr>
</tbody>
</table>

Source: Statistics Canada, Canada Census, 2011

### Table A2: Age of the Housing Stock (Estimated Year of Construction)

<table>
<thead>
<tr>
<th></th>
<th>Leduc Sub-Region (LSR)</th>
<th></th>
<th>CRB</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Dwellings</td>
<td>Share (%)</td>
<td>Dwellings</td>
<td>Share (%)</td>
</tr>
<tr>
<td>Pre 1980</td>
<td>8,830</td>
<td>39%</td>
<td>222,170</td>
<td>49%</td>
</tr>
<tr>
<td>1980 - 2000</td>
<td>5,735</td>
<td>26%</td>
<td>123,235</td>
<td>27%</td>
</tr>
<tr>
<td>2001 – 2005</td>
<td>2,965</td>
<td>13%</td>
<td>52,485</td>
<td>12%</td>
</tr>
<tr>
<td>2006 - 2011</td>
<td>4,935</td>
<td>22%</td>
<td>54,015</td>
<td>12%</td>
</tr>
<tr>
<td>% Built since 2000</td>
<td></td>
<td>35%</td>
<td></td>
<td>24%</td>
</tr>
</tbody>
</table>

Source: Statistics Canada, Canada Census, 2011

### Table A3: Population by Age for the Leduc Sub-Region and the Capital Region, 2011

<table>
<thead>
<tr>
<th>Age Cohorts</th>
<th>Leduc Sub-Region</th>
<th></th>
<th>Capital Region</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Population</td>
<td>Share (%)</td>
<td>Population</td>
<td>Share (%)</td>
</tr>
<tr>
<td>0-14</td>
<td>13,060</td>
<td>21%</td>
<td>204,580</td>
<td>18%</td>
</tr>
<tr>
<td>15-19</td>
<td>4,115</td>
<td>7%</td>
<td>74,225</td>
<td>6%</td>
</tr>
<tr>
<td>20-24</td>
<td>3,745</td>
<td>6%</td>
<td>89,950</td>
<td>8%</td>
</tr>
<tr>
<td>25-34</td>
<td>9,470</td>
<td>15%</td>
<td>185,315</td>
<td>16%</td>
</tr>
<tr>
<td>35-44</td>
<td>8,720</td>
<td>14%</td>
<td>162,585</td>
<td>14%</td>
</tr>
<tr>
<td>45-54</td>
<td>9,195</td>
<td>15%</td>
<td>177,440</td>
<td>15%</td>
</tr>
<tr>
<td>55-64</td>
<td>6,960</td>
<td>11%</td>
<td>134,320</td>
<td>12%</td>
</tr>
<tr>
<td>65-74</td>
<td>3,440</td>
<td>6%</td>
<td>71,320</td>
<td>6%</td>
</tr>
<tr>
<td>75+</td>
<td>2,535</td>
<td>4%</td>
<td>61,765</td>
<td>5%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>61,240</td>
<td>100%</td>
<td>1,161,500</td>
<td>100%</td>
</tr>
</tbody>
</table>

Source: Statistics Canada, Canada Census, 2011
Table A4: Number of Households and Distribution by Type

<table>
<thead>
<tr>
<th>Type of Households</th>
<th>Leduc Sub-Region</th>
<th>CRB</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number</td>
<td>Distribution</td>
</tr>
<tr>
<td>Family Households</td>
<td>17,530</td>
<td>78%</td>
</tr>
<tr>
<td>Couple (no children)</td>
<td>6,370</td>
<td>28%</td>
</tr>
<tr>
<td>Couple with children</td>
<td>8,065</td>
<td>36%</td>
</tr>
<tr>
<td>Lone parent</td>
<td>1,580</td>
<td>7%</td>
</tr>
<tr>
<td>1+ family</td>
<td>1,515</td>
<td>7%</td>
</tr>
<tr>
<td>Single Households</td>
<td>4,920</td>
<td>22%</td>
</tr>
<tr>
<td>Singles</td>
<td>4,080</td>
<td>18%</td>
</tr>
<tr>
<td>Unrelated persons 2+</td>
<td>840</td>
<td>4%</td>
</tr>
</tbody>
</table>

Source: Statistics Canada, Canada Census, 2011

Table A5: Distribution of Households by Size

<table>
<thead>
<tr>
<th>Household size</th>
<th>Leduc Sub-Region</th>
<th>CRB</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number</td>
<td>Distribution</td>
</tr>
<tr>
<td>Total</td>
<td>22,465</td>
<td>100%</td>
</tr>
<tr>
<td>1 person</td>
<td>4,080</td>
<td>18%</td>
</tr>
<tr>
<td>2 person</td>
<td>7,895</td>
<td>35%</td>
</tr>
<tr>
<td>3-4 person</td>
<td>8,235</td>
<td>37%</td>
</tr>
<tr>
<td>5+ person</td>
<td>2,255</td>
<td>10%</td>
</tr>
</tbody>
</table>

Source: Statistics Canada, Canada Census, 2011

Table A6: Number of Households by Age of Maintainer

<table>
<thead>
<tr>
<th>Age of Household Maintainer</th>
<th>Leduc Sub-Region</th>
<th>CRB</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td># of HHs</td>
<td>Distribution</td>
</tr>
<tr>
<td>Under 25 years</td>
<td>845</td>
<td>3.8</td>
</tr>
<tr>
<td>25 to 29 years</td>
<td>1,935</td>
<td>8.6</td>
</tr>
<tr>
<td>30 to 34 years</td>
<td>2,370</td>
<td>10.6</td>
</tr>
<tr>
<td>35 to 39 years</td>
<td>2,300</td>
<td>10.2</td>
</tr>
<tr>
<td>40 to 44 years</td>
<td>2,295</td>
<td>10.2</td>
</tr>
<tr>
<td>45 to 49 years</td>
<td>2,590</td>
<td>11.5</td>
</tr>
<tr>
<td>50 to 54 years</td>
<td>2,470</td>
<td>11.0</td>
</tr>
<tr>
<td>55 to 59 years</td>
<td>2,250</td>
<td>10.0</td>
</tr>
<tr>
<td>60 to 64 years</td>
<td>1,745</td>
<td>7.8</td>
</tr>
<tr>
<td>65 to 69 years</td>
<td>1,165</td>
<td>5.2</td>
</tr>
<tr>
<td>70 to 74 years</td>
<td>870</td>
<td>3.9</td>
</tr>
<tr>
<td>75 years +</td>
<td>1,635</td>
<td>7.3</td>
</tr>
<tr>
<td>Total</td>
<td>22,455</td>
<td>100.0</td>
</tr>
</tbody>
</table>
Table A7: Distribution of Households by Income Range

<table>
<thead>
<tr>
<th>Income Range</th>
<th>Leduc</th>
<th></th>
<th>CRB</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td># of HH</td>
<td>%</td>
<td># of HH</td>
<td>%</td>
</tr>
<tr>
<td>All</td>
<td>22,450</td>
<td>100%</td>
<td>451,905</td>
<td>100%</td>
</tr>
<tr>
<td>&lt;20k</td>
<td>1,700</td>
<td>8%</td>
<td>43,545</td>
<td>10%</td>
</tr>
<tr>
<td>20k-60k</td>
<td>4,950</td>
<td>22%</td>
<td>125,365</td>
<td>28%</td>
</tr>
<tr>
<td>60k-80k</td>
<td>3,005</td>
<td>13%</td>
<td>59,830</td>
<td>13%</td>
</tr>
<tr>
<td>80k-100k</td>
<td>2,885</td>
<td>13%</td>
<td>53,950</td>
<td>12%</td>
</tr>
<tr>
<td>100k+</td>
<td>9,910</td>
<td>44%</td>
<td>169,215</td>
<td>37%</td>
</tr>
<tr>
<td>Median</td>
<td>$90,274</td>
<td></td>
<td>$79,090</td>
<td></td>
</tr>
</tbody>
</table>

Source: Statistics Canada, Canada Census, 2011

Table A8: Number of Homeowners by the Value of Home

<table>
<thead>
<tr>
<th>Value of Home</th>
<th>Leduc Sub-Region</th>
<th></th>
<th>CRB</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number of Owners</td>
<td>%</td>
<td>Number of Owners</td>
<td>%</td>
</tr>
<tr>
<td>Total</td>
<td>17,385</td>
<td></td>
<td>316,810</td>
<td></td>
</tr>
<tr>
<td>Under $200,000</td>
<td>535</td>
<td>9%</td>
<td>6,805</td>
<td>7%</td>
</tr>
<tr>
<td>$200,000 to $249,999</td>
<td>360</td>
<td>6%</td>
<td>4,295</td>
<td>8%</td>
</tr>
<tr>
<td>$250,000 to $299,999</td>
<td>635</td>
<td>11%</td>
<td>11,465</td>
<td>10%</td>
</tr>
<tr>
<td>$300,000 to $349,999</td>
<td>1,085</td>
<td>19%</td>
<td>24,425</td>
<td>17%</td>
</tr>
<tr>
<td>$350,000 to $399,999</td>
<td>1,975</td>
<td>17%</td>
<td>32,000</td>
<td>18%</td>
</tr>
<tr>
<td>$400,000 to $499,999</td>
<td>3,350</td>
<td>21%</td>
<td>53,625</td>
<td>21%</td>
</tr>
<tr>
<td>$500,000 to $749,999</td>
<td>2,910</td>
<td>13%</td>
<td>57,445</td>
<td>15%</td>
</tr>
<tr>
<td>$750,000 to $999,999</td>
<td>3,710</td>
<td>2%</td>
<td>66,130</td>
<td>3%</td>
</tr>
<tr>
<td>$1,000,000 or more</td>
<td>2,275</td>
<td>1%</td>
<td>46,180</td>
<td>1%</td>
</tr>
<tr>
<td>Average value of dwelling</td>
<td>$377,436</td>
<td></td>
<td>$394,508</td>
<td></td>
</tr>
<tr>
<td>Median value of dwelling</td>
<td>$349,282</td>
<td></td>
<td>$350,104</td>
<td></td>
</tr>
</tbody>
</table>

Source: Statistics Canada, Canada Census, 2011
### Table A9: Number of Renter Households by Rental Rate Range

<table>
<thead>
<tr>
<th>Rental Rate Range</th>
<th>Number of Renters</th>
<th>%</th>
<th>Number of Renters</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>4,185</td>
<td></td>
<td>132,090</td>
<td></td>
</tr>
<tr>
<td>Less than $400</td>
<td>260</td>
<td>6%</td>
<td>6,390</td>
<td>5%</td>
</tr>
<tr>
<td>$400 to $599</td>
<td>200</td>
<td>5%</td>
<td>6,885</td>
<td>5%</td>
</tr>
<tr>
<td>$600 to $799</td>
<td>230</td>
<td>5%</td>
<td>15,900</td>
<td>12%</td>
</tr>
<tr>
<td>$800 to $999</td>
<td>680</td>
<td>16%</td>
<td>31,960</td>
<td>24%</td>
</tr>
<tr>
<td>$1,000 to $1,199</td>
<td>710</td>
<td>17%</td>
<td>26,100</td>
<td>20%</td>
</tr>
<tr>
<td>$1,200 to $1,499</td>
<td>970</td>
<td>23%</td>
<td>25,315</td>
<td>19%</td>
</tr>
<tr>
<td>$1,500 to $1,999</td>
<td>985</td>
<td>24%</td>
<td>15,430</td>
<td>12%</td>
</tr>
<tr>
<td>$2,000 or more</td>
<td>155</td>
<td>4%</td>
<td>4,100</td>
<td>3%</td>
</tr>
</tbody>
</table>

Average shelter costs: $1,199 | $1,078
Median shelter costs:  $1,201 | $1,026

Source: Statistics Canada, Canada Census, 2011

### Table A10: Incidence of Need by Type of Household and Tenure, 2011

<table>
<thead>
<tr>
<th>Type of Need</th>
<th>LSR</th>
<th>CRB</th>
<th>LSR</th>
<th>CRB</th>
</tr>
</thead>
<tbody>
<tr>
<td>Suitability</td>
<td>4%</td>
<td>6%</td>
<td>7%</td>
<td>11%</td>
</tr>
<tr>
<td>Adequacy</td>
<td>6%</td>
<td>6%</td>
<td>9%</td>
<td>9%</td>
</tr>
<tr>
<td>Afford &gt;30</td>
<td>22%</td>
<td>25%</td>
<td>35%</td>
<td>41%</td>
</tr>
<tr>
<td>Afford &gt;50</td>
<td>9%</td>
<td>11%</td>
<td>14%</td>
<td>21%</td>
</tr>
</tbody>
</table>

Source: Statistics Canada

### Table A11: Renter Households Incidence of Need by Type of Need and Household Type

<table>
<thead>
<tr>
<th>Household Type</th>
<th>Type of Housing Need</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total</td>
</tr>
<tr>
<td></td>
<td>LSR</td>
</tr>
<tr>
<td>Fam. W/O Children</td>
<td>725</td>
</tr>
<tr>
<td>Fam. W Children</td>
<td>905</td>
</tr>
<tr>
<td>Lone-Parent-Fam.</td>
<td>520</td>
</tr>
<tr>
<td>Other (MF)</td>
<td>350</td>
</tr>
<tr>
<td>Non-Family</td>
<td>1705</td>
</tr>
<tr>
<td>Total</td>
<td>4210</td>
</tr>
</tbody>
</table>

Source: Statistics Canada (2011 NHS)
### Table A12: Number of Household Maintainers in Core Housing Need by Age and Tenure, Edmonton CMA

<table>
<thead>
<tr>
<th>Tenure</th>
<th>Total Number of Households</th>
<th>Senior</th>
<th>Non-Senior</th>
<th>15-29 Years</th>
<th>30-44 Years</th>
<th>45-64 Years</th>
</tr>
</thead>
<tbody>
<tr>
<td>Household in Core housing need</td>
<td>Total</td>
<td>41,220</td>
<td>10,575</td>
<td>30,640</td>
<td>7,110</td>
<td>11,835</td>
</tr>
<tr>
<td></td>
<td>Owners</td>
<td>12,470</td>
<td>3,455</td>
<td>9,010</td>
<td>835</td>
<td>3,785</td>
</tr>
<tr>
<td></td>
<td>Renters</td>
<td>28,750</td>
<td>7,120</td>
<td>21,625</td>
<td>6,275</td>
<td>8,055</td>
</tr>
<tr>
<td>Incidence of Core Housing Need</td>
<td>Total</td>
<td>10.6%</td>
<td>15.1%</td>
<td>9.6%</td>
<td>12.9%</td>
<td>10.1%</td>
</tr>
<tr>
<td></td>
<td>Owners</td>
<td>4.6%</td>
<td>6.7%</td>
<td>4.1%</td>
<td>3.8%</td>
<td>4.6%</td>
</tr>
<tr>
<td></td>
<td>Renters</td>
<td>24.6%</td>
<td>39.4%</td>
<td>21.9%</td>
<td>18.8%</td>
<td>22.5%</td>
</tr>
</tbody>
</table>

Source: Statistics Canada, Core Housing Need Estimates, 2006

### Table A13: Renter Households by Type and Age in Core Need, Edmonton CMA, 2006

<table>
<thead>
<tr>
<th>Household Type</th>
<th>Age Groups</th>
<th>Total</th>
<th>Non-Senior</th>
<th>15 - 29</th>
<th>30 - 44</th>
<th>45 - 64</th>
<th>Senior</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total</td>
<td>28750</td>
<td>21625</td>
<td>6275</td>
<td>8055</td>
<td>7305</td>
<td>7120</td>
</tr>
<tr>
<td>Family</td>
<td></td>
<td>11530</td>
<td>11110</td>
<td>3465</td>
<td>5185</td>
<td>2465</td>
<td>415</td>
</tr>
<tr>
<td>Couple</td>
<td></td>
<td>4760</td>
<td>4670</td>
<td>1580</td>
<td>2045</td>
<td>1045</td>
<td>90</td>
</tr>
<tr>
<td>Lone Parent</td>
<td></td>
<td>6640</td>
<td>6330</td>
<td>1835</td>
<td>3105</td>
<td>1385</td>
<td>315</td>
</tr>
<tr>
<td>Multi-Family</td>
<td></td>
<td>130</td>
<td>115</td>
<td>45</td>
<td>35</td>
<td>35</td>
<td>0</td>
</tr>
<tr>
<td>Non-family</td>
<td></td>
<td>17220</td>
<td>10510</td>
<td>2805</td>
<td>2870</td>
<td>4840</td>
<td>6705</td>
</tr>
</tbody>
</table>

Source: CMHC, Core Housing Needs Estimates, 2006

### Table A14: Housing Starts by Type, Leduc Sub-Region, 2006 - 2013

<table>
<thead>
<tr>
<th>Housing Starts</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>1,123</td>
<td>1,509</td>
<td>773</td>
<td>525</td>
<td>1,041</td>
<td>952</td>
<td>828</td>
<td>916</td>
</tr>
<tr>
<td>Single-detached</td>
<td>931</td>
<td>1,111</td>
<td>303</td>
<td>372</td>
<td>643</td>
<td>539</td>
<td>588</td>
<td>547</td>
</tr>
<tr>
<td>Multiple</td>
<td>192</td>
<td>398</td>
<td>470</td>
<td>153</td>
<td>398</td>
<td>413</td>
<td>240</td>
<td>369</td>
</tr>
<tr>
<td>Semi-detached</td>
<td>128</td>
<td>138</td>
<td>86</td>
<td>82</td>
<td>72</td>
<td>108</td>
<td>170</td>
<td>130</td>
</tr>
<tr>
<td>Row</td>
<td>40</td>
<td>135</td>
<td>191</td>
<td>86</td>
<td>24</td>
<td>13</td>
<td>32</td>
<td>70</td>
</tr>
<tr>
<td>Apartment</td>
<td>24</td>
<td>125</td>
<td>193</td>
<td>47</td>
<td>313</td>
<td>273</td>
<td>0</td>
<td>104</td>
</tr>
<tr>
<td>Singles Share</td>
<td>82.0%</td>
<td>73.6%</td>
<td>39.2%</td>
<td>70.0%</td>
<td>61.8%</td>
<td>56.6%</td>
<td>71.0%</td>
<td>59.7%</td>
</tr>
<tr>
<td>Multiples Share</td>
<td>17.1%</td>
<td>26.4%</td>
<td>60.8%</td>
<td>29.1%</td>
<td>38.2%</td>
<td>43.4%</td>
<td>29.0%</td>
<td>40.3%</td>
</tr>
</tbody>
</table>

Source: CMHC
### Table A15: Housing Starts by Intended Market, 2006 - 2013

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>Change 06-10</th>
<th>Change 11-12</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total</strong></td>
<td>1,123</td>
<td>1,509</td>
<td>773</td>
<td>525</td>
<td>1,041</td>
<td>952</td>
<td>853</td>
<td>837</td>
<td>4,971</td>
<td>1,805</td>
</tr>
<tr>
<td><strong>Homeownership - Freehold</strong></td>
<td>1,051</td>
<td>1,225</td>
<td>355</td>
<td>450</td>
<td>704</td>
<td>651</td>
<td>787</td>
<td>787</td>
<td>3,785</td>
<td>1,438</td>
</tr>
<tr>
<td><strong>Rental</strong></td>
<td>28</td>
<td>28</td>
<td>39</td>
<td>47</td>
<td>148</td>
<td>193</td>
<td>33</td>
<td>25</td>
<td>290</td>
<td>226</td>
</tr>
<tr>
<td><strong>Homeownership - condominium</strong></td>
<td>44</td>
<td>256</td>
<td>379</td>
<td>28</td>
<td>189</td>
<td>108</td>
<td>33</td>
<td>25</td>
<td>896</td>
<td>141</td>
</tr>
<tr>
<td><strong>Other (co-op and unknown)</strong></td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

Source: CMHC

### Table A16: Average Rental Rates, Leduc Sub-Region

<table>
<thead>
<tr>
<th>Average Price ($000s)</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bachelor</td>
<td>489</td>
<td>654</td>
<td>678</td>
<td>629</td>
<td>629</td>
<td>668</td>
<td>733</td>
<td>766</td>
<td>56.6%</td>
</tr>
<tr>
<td>One-bedroom</td>
<td>612</td>
<td>743</td>
<td>798</td>
<td>815</td>
<td>830</td>
<td>841</td>
<td>881</td>
<td>904</td>
<td>47.7%</td>
</tr>
<tr>
<td>Two-bedroom</td>
<td>762</td>
<td>890</td>
<td>949</td>
<td>949</td>
<td>989</td>
<td>1029</td>
<td>1089</td>
<td>1157</td>
<td>51.8%</td>
</tr>
<tr>
<td>3+ bedroom</td>
<td>803</td>
<td>1007</td>
<td>1024</td>
<td>1085</td>
<td>1061</td>
<td>1065</td>
<td>1173</td>
<td>1274</td>
<td>58.7%</td>
</tr>
<tr>
<td>All</td>
<td>721</td>
<td>860</td>
<td>912</td>
<td>927</td>
<td>956</td>
<td>986</td>
<td>1049</td>
<td>1115</td>
<td>54.7%</td>
</tr>
</tbody>
</table>

Source: CMHC Rental Market Survey

### Table A16: Median House Prices by Dwelling Type, 2006 - 2013

<table>
<thead>
<tr>
<th>Dwelling Type</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Detached</td>
<td>267,900</td>
<td>359,000</td>
<td>350,000</td>
<td>338,000</td>
<td>347,900</td>
<td>345,500</td>
<td>365,000</td>
<td>380,000</td>
<td>41.8%</td>
</tr>
<tr>
<td>Semi/row</td>
<td>199,000</td>
<td>287,249</td>
<td>270,950</td>
<td>261,200</td>
<td>255,450</td>
<td>247,250</td>
<td>265,000</td>
<td>276,750</td>
<td>39.1%</td>
</tr>
<tr>
<td>Condo</td>
<td>179,900</td>
<td>265,050</td>
<td>262,450</td>
<td>251,382</td>
<td>250,000</td>
<td>226,500</td>
<td>241,000</td>
<td>232,000</td>
<td>29.0%</td>
</tr>
<tr>
<td>Other</td>
<td>255,000</td>
<td>350,100</td>
<td>347,500</td>
<td>332,000</td>
<td>342,500</td>
<td>335,000</td>
<td>358,250</td>
<td>370,000</td>
<td>45.1%</td>
</tr>
</tbody>
</table>

Source: Edmonton Real Estate Board, MLS Sales
Table A18: Quantifying the Continuum (All Households)

<table>
<thead>
<tr>
<th>Combined Households (Income as % Benchmark =)</th>
<th>Non Market (Social)</th>
<th>Intermediate (Affordable)</th>
<th>Near Market</th>
<th>Full Market</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income benchmark</td>
<td>$42,500</td>
<td>$63,750</td>
<td>$85,000</td>
<td>&gt; 85,000</td>
</tr>
<tr>
<td>Max afford rent</td>
<td>1063</td>
<td>1594</td>
<td>2125</td>
<td>&gt; 2,125</td>
</tr>
<tr>
<td>Max afford buy</td>
<td>$191,970</td>
<td>$287,954</td>
<td>$383,939</td>
<td>&gt; 2,125</td>
</tr>
<tr>
<td>Rent units available</td>
<td>585</td>
<td>1,283</td>
<td>494</td>
<td>118</td>
</tr>
<tr>
<td>Homes priced in range</td>
<td>1,358</td>
<td>3,179</td>
<td>7,932</td>
<td>3,869</td>
</tr>
<tr>
<td>Total dwellings in range</td>
<td>1,943</td>
<td>4,463</td>
<td>8,436</td>
<td>3,987</td>
</tr>
<tr>
<td>Households in income range</td>
<td>2,120</td>
<td>2,423</td>
<td>1,991</td>
<td>11,001</td>
</tr>
</tbody>
</table>

7 This approach uses CMA HIL and Average Income by Household Size
Appendix B:
Glossary and Acronyms
Glossary and Acronyms

Affordable Housing Program
The Province of Alberta’s Affordable Housing Program provides one time capital grants for the construction/acquisition of rental housing units. Grant recipients are required to provide rents that are at least 10% below market. Units are targeted at households with incomes at or below CNITS. There are no operating subsidies for these units.

Canada Mortgage and Housing Corporation (CMHC)
CMHC is Canada’s national housing agency. Established as a government-owned corporation in 1946 to address Canada’s post-war housing shortage, the agency has grown into a major national institution. CMHC is Canada’s premier provider of mortgage loan insurance, mortgage-backed securities, housing policy and programs, and housing research.

Capital Region
Includes the lands lying within the boundaries of the participating municipalities of the Capital Region and include the following municipalities: Beaumont, Bon Accord, Bruderheim, Calmar, Devon, Edmonton, Fort Saskatchewan, Gibbons, Lamont, Lamont County, Leduc, Leduc County, Legal, Morinville, Parkland County, Redwater, St. Albert, Spruce Grove, Stony Plain, Strathcona County, Sturgeon County, Thorsby, Wabamun, and Warburg.

Capital Region Board
The Capital Region Board was established in 2008, under Capital Region Board Regulation 38/2012, under the Municipal Government Act. The Capital Region Board is a non-profit corporation comprised of 24 member municipalities from within the Region.

Co-Operative Housing (Co-Op)
Co-op housing is collectively owned and managed by its members (the people who live there). Co-op members actively participate in decision making and share the work involved in running the housing community. As a member of a co-op, you must volunteer and take part in the management of the building.

Community Amenities
Community amenities are generally capital facilities or improvements that are needed to service a growing population or create a more complete community (e.g. leisure centres, police buildings, cultural centres, libraries, parks, playgrounds, etc.). Some definitions also include natural amenities such as rivers, lakes, walking trails, etc. Other definitions include access to commercial amenities such as shopping centres, medical facilities, restaurants, etc.

Community Housing Program
The Province of Alberta’s Community Housing Program provides subsidized rental housing to low-income households who cannot afford private sector accommodation. Applicants whose income
falls below CNITS are eligible to apply. Management and tenant selection is delegated to the local housing operators (usually a Management Body). Applicants are given priority based on need, as determined by income, assets, and current housing condition. A tenant’s rent, which includes heat, water and sewer expenses, is based on 30 percent of a household’s adjusted income. The tenant is responsible for electricity, telephone and cable television, as well as any additional services they may request (i.e. parking). Operating deficits are cost-shared with Canada Mortgage and Housing Corporation. The units are owned by one of the orders of government.

**Core Housing Need**
A concept developed in the 1980’s to define housing need. It is based on a two-step assessment: First does a household experience any one or combination of housing problems covering suitability (crowding), adequacy (building condition) or affordability (paying greater than 30% for shelter). Secondly, is their income below a defined income threshold that varies by market/city and by household size?

**CMA**
Census Metropolitan Area

**CNITS (Core Need Income Thresholds)** - Local income limits are established each year by Canada Mortgage and Housing Corporation. Households with annual incomes equal to or less than CNIT are said to have insufficient income to afford the on-going costs of suitable and adequate rental units in their area. Incomes below this level may be eligible for various rental subsidy programs.

**Condominium (Condo)**
A form of tenure that creates title and ownership rights in virtual 3 dimensions, as opposed to land title. The term refers to a legal ownership structure and should not be confused with built form (i.e. an apartment that is owned may be a condo, but an apartment may also be rented).

**Diversification of Housing Types**
A range of housing types, including single-family dwellings, duplex, townhome, condominium and apartment types, mixed throughout neighborhoods to serve a broad range of residents of varied age and income.

**EREB**
The Edmonton Real Estate Board is an Association of realtors and provides data and statistics on home sales and prices in the Edmonton area.

**Garage Suites**
A garage suite is a self-contained dwelling located above a rear attached garage which is accessory to a single detached dwelling. It must have an entrance separate from the vehicle entrance, either from the interior or exterior of the structure and include cooking facilities, a bathroom and bedroom(s).
Habitat for Humanity Homes - Under this program housing units are built using cash and material donations as well as voluntary labour. When completed the units are sold to qualifying working low and moderate income households. The household is provided an interest free mortgage and the mortgage is amortized to 25% of the household’s income. When the recipient household decides to sell the unit it is sold back to Habitat for Humanity and another qualifying household receives a place to live.

HAT
Housing Assessment Tool. The HAT is the tool developed for the Capital Region to assess housing need across all sub-regions.

HICO
Housing in Canada Online. A CMHC interactive data file providing historic data and core need estimates for a wide geography of cities and census areas.

HIL
Housing Income Limits (new label for former CNITs described above).

Home Program - The HOME Program helps low income people become homeowners, through education, financial assistance and one-on-one counselling. The education component is open to anyone interested in owning a home. Participants do not have to be first time buyers or low income buyers.

Low income buyers (below CNITS) who have completed both education sessions can apply for down payment assistance

Housing Allowance
A form of housing assistance to help household manage high shelter cost burden. Distinct from the rent Supplement, payments are made to the household, not to the landlord, and the HA is therefore portable. A HA may be structured to pay a fixed monthly allowance or can pay based on the RGI- market rent difference.

Housing Continuum
A conceptual framework used to describe a range of housing options from homeless supports through independent market rate housing.

Incidence of Need
The frequency (or incidence) of need refers to the tendency that a particular household will experience housing need. For example, if 60 lone-parent households out of 100 lone-parent households experience affordability problems, the incidence (or chance) of need among lone-parents is 60%. In the assessment, incidence refers to affordability need only.
Inclusive Communities
Inclusive communities have a variety of housing, commerce, recreational, institutional, social and public amenities within their boundary. Inclusive communities provide a physical and social environment where residents can live, learn, work and play without having to travel beyond the community boundary.

Infill Development
Development in the existing developed areas, occurring on vacant or underutilized lands, or redevelopment of a developed site to a higher density.

Intensification
The development of a property, site or area at a higher density than currently exists, e.g. redevelopment (including the reuse of Brownfield sites), development of vacant and/or underutilized lots, the conversion or expansion of existing buildings, and infill development, and may include Greenfield sites with development densities higher than historical norms.

Major Repairs Needed
Major Repairs Needed includes dwellings needing major repairs such as dwellings with defective plumbing or electrical wiring and dwellings needing structural repairs to walls, floors or ceilings.

Market Housing
Market Housing is defined as housing that is supplied by the private market, without direct government subsidies. Under Market Housing, one sub category has been further delineated:

   Market Affordable Housing is defined as rental or ownership housing that is modest in form and specification and is capable of being produced for moderate income households without upfront or on-going direct government subsidies (e.g. through regulatory relaxations, efficient design, tax incentives, etc.). Generally applies to households earning moderate incomes between 100% and 150% of median income.

Minor Repairs Needed
Minor Repairs Needed includes dwellings needing only minor repairs such as dwellings with missing or loose floor tiles, bricks or shingles or defective steps, railing or siding.

Mixed-Income Development
A type of development that includes families at various income levels. Mixed-income developments are intended to promote de-concentration of poverty and give lower-income households access to improved amenities.

Mixed-Use Development
A development that mixes compatible residential, commercial, institutional and recreational land uses, and may do so within an area of land, and/or within buildings, in order to increase density,
reduce development footprint through intensification of land use, and to improve public accessibility to the range of mixed land uses.

**Multi-family Housing**
A building constructed for residential purposes for use by two or more families, e.g. duplexes, townhome and row house development, multistory and high rise apartments.

**NHS**
National Household Survey (the replacement for the Statistics Canada long form census), administered in May 2011.

**Non Market Housing**
Non Market Housing is defined as housing that is operated and funded or created through direct government subsidies and includes different categories of housing based on the associated services needed by the clients. Non Market Housing is further segmented into the categories of “Affordable Housing” and “Subsidized Housing”:

- **Affordable Housing** is rental or ownership housing that generally does not require on-going (operating) subsidies, and is both affordable and targeted for long-term occupancy to households with incomes between 100% and 80% of the median renter income for their household size;

- **Social Housing** is primarily rental housing that requires on-going operating subsidies to make it affordable on a long-term basis to households with incomes that are generally between 80% and 65% or less of the median renter income for their household size.

**Other Non-profit**
Non-profit organizations providing rental housing at rents below market rates who do not receive housing subsidies from government.

**Provincial Private Non-profit Program**
This program provides monthly subsidies to non-profit organizations to cover operating deficits, including a reserve allocation and the mortgage principal and interest payment based on eligible capital costs. Individuals who currently occupy a crowded or inadequate dwelling would be eligible for housing in these units owned by private non-profit groups. The operating deficits are cost-shared with Canada Mortgage and Housing Corporation. Rents are based on 30 percent of a household’s adjusted income.

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8 “Non-Market Housing” also includes “Emergency Shelters”, “Transitional Housing” and “Supportive Housing”, and requires deeper capital and operating subsidies provided under government programs to enable affordability to households with considerably lower incomes or no incomes at all.
RGI
Rent Geared to Income

Rent Supplement Program
A subsidy is provided to reduce the market rent for a household with income below CNITS. There are a variety of rent supplement programs, some providing subsidies directly to the landlord, others directly to the tenant. The subsidy can be a fixed rate or based on the income of the household. Typically these subsidies are funded by the province and administered by a Management Body.

Rural and Native Housing Program
This Provincial Program funded the construction of a small number of housing units throughout Alberta. The units are now typically rented out by Management Bodies in the same manner as the Community Housing Program defined above.

Secondary Suites
A secondary suite is a separate and subordinate dwelling unit contained within a detached dwelling. A secondary suite must have a separate entrance from the entrance to the principal dwelling and include a cooking facility, bathroom and bedroom (s) that are separate from those of the principal dwelling.

Seniors Self-Contained Program
The Alberta Government provides apartment style accommodation to low and moderate income seniors who are functionally independent with or without assistance from existing community services. Rent, which includes water, heat and sewer expenses, is based on 30% of a household’s adjusted income. The Province owns most of the apartments funded under this program, and any operating deficits are fully funded by the Alberta Government. Household income must be below the CNIT’s to qualify for the program.

Emergency Shelters - Temporary places for people to live until more permanent housing is found. An emergency shelter is a place for people to live temporarily when they cannot live in their previous residence, similar to homeless shelters. The main difference is that an emergency shelter typically specializes in people fleeing a specific type of situation, such as natural or man-made disasters, domestic violence, or victims of sexual abuse. A more minor difference is that people staying in emergency shelters are more likely to stay all day, except for work, school, or errands, while homeless shelters usually expect people to stay elsewhere during the day, returning only to sleep or eat. Shelters sometimes facilitate support groups, and/or provide meals.

Special Needs Housing
Special needs housing is housing that has been modified with special features to help people to live independently in the community. For example, the unit may be adapted for wheelchair access.
Supportive Housing
Supportive housing offers support services onsite to assist tenants to live independently. For example, some providers will offer support for youth or people with substance abuse problems. Housing Connections does not maintain a list of supportive services available. Clients should contact housing providers directly.

Support Services
Housing support services have developed over a number of years as an imaginative response to a wide range of needs. Housing support services should help people to live independently in the community, regardless of their tenure. Having and keeping a stable place to live is essential for many vulnerable people who want to stay in their own home. A wide range of people with particular needs can receive housing support services, including homeless people, refugees, women escaping domestic violence, people with a chronic illness, people with a physical impairment or learning disability, seniors, ex-offenders, people with drug and alcohol related problems, and others who need support. They may use these services when their accommodation is temporary (for example, in a crisis) or when they are being re-housed.

There is a wide range of supported accommodation models, including sheltered housing with 30 or 40 self-contained units of accommodation with on-site warden support, communal facilities and call systems; homeless hostels; group homes where people share accommodation supported by residential or visiting housing support workers; individual scattered or clustered dwellings with floating (flexible) support; and ‘wet houses’ for people with substance misuse problems. Housing support services can range from around one hour a week to 24-hour residential support.

Supportive Living Lodge
Supportive living settings operated under the Alberta Housing Act (usually by a Management Body), which are designed to provide room and board for seniors who are functionally independent with or without the assistance of community-based services.
Appendix C:

THE HOUSING CONTINUUM DEMAND AND SUPPLY GAPS AND MISMATCH
As a concept a continuum can be a useful way to review the full range of housing options and assess both current supply and requirements (based on incomes and household demographics). The concept of a housing continuum has been widely adopted across Canadian municipalities as a way to set the broader context, as well as to help identify where gaps exist between need and demand versus supply. Figure 1 is extracted from the 2012 CRB report *Our Affordable Future*. It presents an overview of the housing continuum from homelessness thru to the full market response. This separates market and non-market aspects of the housing system and includes the important category of Market Affordable Housing referenced in the CRB Housing Mandate.

**Figure C1: The Housing Continuum**

The non-market side (Figure 1, left side) of the Continuum includes various services that represent an add-on to housing (accommodation). They provide varying levels of support services reflecting the special needs of the sub-population. This includes Emergency Shelters (more a social service than housing per se) as well as various forms of housing which incorporate support services either in house (e.g. 24/7 supervision), or delivered separately via community social service agencies (e.g. home care).

The important element from the perspective of quantifying housing need and requirements is that the housing component (platform) to facilitate the delivery of such support services is available. In the main this speaks to requirements for subsidized or low rent options where low-income persons transitioning from homelessness or living with mental health challenges, or with restricted ability to perform activities of daily living can afford to live while receiving additional supports.

While the CRB (Our Common Future) report does include an income related quantum based on percentage of median income, this was preliminary. It is possible to refine the income categories (as percentage of median or average income) more accurately using eligibility income thresholds.

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*Fig 1, extracted from the CRB “Our Affordable Future” uses reference income bands that vary from those used in this guide. As described below, these have been calculated as a way to quantify the continuum.*
for social/affordable housing. This can then be used to align each part of the continuum against the price/rent of housing availability. This does not need to be done for each sub-region, a CRB-wide benchmark is sufficient for developing the benchmarks in the continuum. However the existing requirements and availability in each sub-region should be determined with local data (i.e. how many units exist within each band of the continuum).

The standard measures used in Canada as eligibility for Social Housing, uses an income threshold called Housing Income Limits (HILs) derived from median market rents which are updated annually from CMHC rental survey. This determines the income required to afford the median rent at 30% of income. These are calculated by household size (number persons) and rounded to the nearest $1,000. HILs are calculated and applied at the CMA scale (i.e. not calculated at any sub-regional level).

<table>
<thead>
<tr>
<th>Size</th>
<th>Rent (2011)</th>
<th>Derived HIL*</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Single – Bachelor</td>
<td>$713</td>
<td>$29,000</td>
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<tr>
<td>2 Person - One-bed</td>
<td>$857</td>
<td>$34,000</td>
</tr>
<tr>
<td>3 Person - Two-bed</td>
<td>$1034</td>
<td>$41,000</td>
</tr>
<tr>
<td>4 Person - Three bed</td>
<td>$1191</td>
<td>$48,000</td>
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Because median rents are not readily available, a proxy is used here based on average rents. For consistency with the 2011 NHS and 2011 tax file data used in the later analysis, the following HILs are calculated against the Oct 2011 Edmonton (CMA) average rents. The same methodology can be used to update rents annually (most current rents are April 2014, although for consistency CMHC uses only the October data for each year). Separately income data is available either from the census NHS or from Tax filer data. The census data is available with tenure variables (owner vs. renters) but over time becomes out of date (note the 2011 NHS collected 2010 income).

Tax file data is available more frequently and provides an update, albeit with an 18-month time lag - 2012 data (filed in early 2013) will be available in Oct 2014. Unfortunately, the tax file source does not distinguish tenure, so only income for all households, regardless of tenure is available. This is not as useful for determining need (as it conflates owners and renters) but it is very useful as a basis for quantifying the incremental income thresholds used in the continuum.

The NHS reports median and average incomes (2010) for Edmonton (CMA) as $79,090 and $97,516 respectively. Tax filer data also for 2010 reports an average of $82,603 blended across all households.

---

10 CMHC generates a data set of median rents based on units that include heat. Thus this tends to be slightly different from the published average rent data. Here the average rent is used to estimate HILs for purpose of quantifying the continuum.
household types (it was much higher for 2 parent families and much lower for lone parents and singles). This had increased to $85,414 in 2011.

The overall average (or median) income for all households is too high to use as a threshold to assess non-market need. It is far in excess of the derived HILs presented in Table 30. A household with an income of $80,000 can afford a rent of $2,000 and a purchase price of $400,000, so this is not a measure of need.

In targeting programs in the US, their method uses 50-60% of area median family income. Separate analysis in Canada has found that 60% of median income roughly approximates the income calculated under the HIL method based on average rent for two-bed units. In our case, 50% of average 2011 income would translate to an income of $40,000 with affordable rent and price of roughly $1,000/month and $200,000 respectively.

Comparing the derived HILs (Table 30), which reflect the upper limit for eligibility for social housing, against the average 2011 income (tax data), it is clear that as a benchmark against median or average household income, the upper limits should be closer to 50% for families and 30-35% for non-family (mainly singles) for whom smaller units with lower rents are appropriate.

### Table C2: Edmonton (est.) 2011 HIL’s and Average Household Income

<table>
<thead>
<tr>
<th>Size</th>
<th>Annual Income</th>
<th>As % 2011 income (CMA)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Single – Bachelor</td>
<td>$29,000</td>
<td>34%</td>
</tr>
<tr>
<td>2 Person -One-bed</td>
<td>$34,000</td>
<td>40%</td>
</tr>
<tr>
<td>3 Person -Two-bed</td>
<td>$41,000</td>
<td>48%</td>
</tr>
<tr>
<td>4 Person - Three bed</td>
<td>$48,000</td>
<td>56%</td>
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</tbody>
</table>

Comparing these CMA HILs to the CMA regional median income the continuum can be quantified.

### Table C3: The Housing Continuum Income Ranges

<table>
<thead>
<tr>
<th>AVERAGE INCOME EDMONTON CMA 2011 (= BASE FOR BENCHMARKS)</th>
<th>$85,000*</th>
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For the threshold income (e.g. 50% of average) the maximum affordable price and rent can be readily calculated (based on paying 30% of this income for rent or mortgage). These rent and price ranges can then be compared against the rent and price distribution in each jurisdiction as a way to identify gaps in the continuum.

A further refinement to the continuum is to include an intermediate market category as a transition between non-market and full market. Given the incomes and distribution of households (families and singles separately) the rent price that would be affordable to each income band can be readily calculated (based on paying max 30% and assuming some loan variables like interest rate, down payment and amortization). This can then be compared against the existing rents and prices in the stock (at the specific geography of a sub-region or municipality) as well as against the rents and prices of recently constructed housing.

Unfortunately the census (NHS) data do not distinguish smaller units (bachelor/one-bedroom) for singles versus larger family sized units (2-3+ bedroom). However the National Household Survey custom data file obtained for this work provides reasonable proxies. For owners, the file provides dwelling values by structure type. Larger dwelling types (single-detached, semi, row and mobiles) are assigned as “family” housing; apartments and attached units are assigned to “non-family” housing (singles). For renters the data files specifically include rent ranges with household type, so family and non-family can be readily extracted. Similarly the incomes of both family and non-family households are separately available. Counting the number of households within each income range developed in the continuum provides a way to quantify demand and to compare this with supply (availability by rent or price).

The results are included in Tables 4C and 5C and displayed in Graphs 1C and 2C, illustrating the continuum for singles and families. In each case the continuum shows a shortfall of housing options (either to rent or to buy) against the lower income need.

### Table C4: Quantifying the Continuum for Single-Person Households

<table>
<thead>
<tr>
<th>Average income (= base for benchmarks)</th>
<th>$85,000*</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>Non Market (Social)</td>
</tr>
<tr>
<td>Single (Income as % Benchmark =)</td>
<td>0 -35%</td>
</tr>
<tr>
<td>Max Income benchmark</td>
<td>$29,750</td>
</tr>
<tr>
<td>Max afford rent</td>
<td>$744</td>
</tr>
<tr>
<td>Max afford buy</td>
<td>$134,379</td>
</tr>
<tr>
<td>Rent units available</td>
<td>467</td>
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<tr>
<td>Homes priced in range</td>
<td></td>
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<tr>
<td>Total dwellings in range</td>
<td>467</td>
</tr>
<tr>
<td>Households in income range</td>
<td>1,620</td>
</tr>
<tr>
<td>Shortfall</td>
<td>(1,154)</td>
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</tbody>
</table>
Graph 1C indicates that in the case of singles, there are far more households in need in every range of the continuum. In fact, there is very little available for rent to single median income renter households, especially those earn 35% or less of median income ($29,750) - there are 410 rental units and 119 homes for 2,352 non-family households - a deficit of 1,822 units.

Table 4C shows there was a deficit of housing units for every range of the housing continuum for single person households. In the case of Market Housing, the deficit was 1,910 units. Higher income households can afford a larger unit, and are accordingly captured in the “available family dwellings”, so it is not really an issue. However this does point to the fact that housing options desired by singles, mainly rental housing, are very limited and in short supply.
### Graph C2: How Much Housing Is Available For Different Income Groups

**Housing Availability and Requirements by Income Band - Family Households**

In the case of families (Graph 22 on the following page), there is a gap or shortage of 987 housing units for families earning less than 50% of the median income ($42,500). In the case of families
earning between 50% and 100% ($42,500 to $85,000) of median income, there is a theoretical surplus of some 13,320 housing units, nearly all of which are ownership housing. Above 100% of median income (>85,000), there is a theoretical shortage of 9,088 units, all of which are for homeownership.

Overall, there is a sufficient supply of housing (mainly ownership) to accommodate all of the families, but very few rental options, which does restrict the ability of lower income families to live in the Sub-Region. Most of the ownership housing is priced below $384,000/unit, so it is very affordable for family households earning above $85,000 annually. This provides many families with affordable homeownership options.
Appendix D:

Community Amenities and Support Services
COMMUNITY AMENITIES AND SUPPORT SERVICES

1. BACKGROUND

Community amenities\(^\text{11}\) and support services are important factors that should be considered during the development of sustainable solutions to address housing needs. Most people factor the amenities that a community has to offer into the decision on whether to locate there. Whether schools, parks and sports facilities or arts and cultural programs are more important depends entirely on the type and demographic profile of the household. In addition, many people, such as those with addictions, disabilities, mental health issues, family violence issues, the frail elderly and others, also require specific support services in order to function in their daily living. Some support programs provide life skills assistance, counselling and/or treatment programs, medical care, etc. that are accessed outside of the dwelling unit. Other support programs and services are provided to assist individuals who cannot live independently and require part or full time supervision. Services such as meals, home care, dental, pharmacy and many other services can be brought into to support the individual in their home. Others such as full time supervision, 7 days a week, are provided internal to the dwelling and require space to accommodate the support worker. In such instances, the provision of supports is critical to the successful operation of the housing and therefore, the funding and timing of both must be coordinated with construction and occupancy of the dwelling.

In the context of the housing needs assessment, our concern is with those households who are in need (lower income) and either currently being served or anticipated to be served by non-market housing in the next ten (10) years. In terms of the Housing Need Assessment Framework, a section has been added on community amenities and services specifically required by non-market households in the Leduc Sub-Region. It includes a summary of existing services and amenities and any perceived gaps in community and support services now and in the near future. The specifics in terms of service and actual costs, especially when it comes to medical care and other complex areas, can only be accurately determined at or near the time of building construction. The information provided through this process is of use, in conjunction with the housing needs assessment, during the planning process to:

- Help determine where in the Leduc Sub-Region a new housing facility or initiative should be located;
- Identify which stakeholder sectors need to be involved to ensure that the appropriate type and level of services are coordinated and funded with the additional non-market housing.

\(^{11}\) Community amenities are generally capital facilities or improvements that are needed to service a growing population or create a more complete community (e.g. hospitals and medical facilities, service agencies such as meal programs or mental health supports, low cost public facilities such as libraries and community recreational centres, transit stops, schools and day cares, etc.)
2. COMMUNITY AMENITIES AND SUPPORT SERVICES AND GAPS

A meeting of community stakeholders representing non-profit and local government agencies from the Leduc County and area municipalities was convened on February 25, 2014 in Leduc. The purpose of the meeting was to review existing community amenities and services and identify any issues and gaps specifically required to support the residents of non-market housing.

The information contained in this report is qualitative in nature and is not intended to be an assessment of community amenities and support services. Quantifying the need for various levels of such supportive services requires a much broader set of measures and data, and is beyond the scope of a Housing Need Assessment Framework. Alternatively, the information from the meeting of stakeholders will provide a qualitative assessment of the issues and gaps that exist within the sub-region.

2.1 Availability of Community Amenities and Support Services

The service directory InformAlberta\textsuperscript{12} was used to help identify the various headings and sub-headings of amenities and services provided in the Leduc area. InformAlberta follows the Alliance of Information and Referral Systems (AIRS) Infoline Taxonomy of Human Services\textsuperscript{13} classification system. The existing community amenities and support services headings from InformAlberta were used and are listed below:

- Basic Needs Programs
- Consumer Services
- Criminal Justice and Legal Services
- Education Programs
- Public Health/Safety Programs
- Health Care
- Income Support and Employment Programs
- Individual and Family Life Programs
- Mental Health Care and Substance Abuse Services
- Community Amenities and Services

\textsuperscript{12} InformAlberta is a provincial on-line directory of publicly funded and/or not-for-profit community, health, social, and government organizations and services.

\textsuperscript{13} Taxonomies are sophisticated tools that help people find the information they need. They are a type of a controlled vocabulary, a standardized set of terms and phrases that are used to index and retrieve information about a particular subject in a systematic, unambiguous way. The INFO LINE Taxonomy of Human Services has been endorsed by AIRS as the national standard for indexing human service resource files.
Each heading includes a brief description (based on the material on the InformAlberta website) of the content and an overview of the community amenities and support services that are currently available across the sub-region.

1. **Basic Needs Programs** provide survival level resources for individuals with low or fixed incomes, people who are homeless, older adults and/or people with disabilities who are otherwise unable to adequately provide for themselves and their families. Also included are some community-related services and amenities that are available to the community at large.
   - **Food** | food vouchers (HUB and emergency FCSS) | Meals on Wheels | food banks | farmer’s markets | food cooperatives | u-pick | community gardens | school meal programs | meals for the homeless (vouchers, Christmas dinners) | school breakfasts program (Snack Attack)
   - **Housing and Shelter** | Drop-In Centre (HUB) | maintenance/handyman services (Rotary Club) | rent payment assistance and rental deposit assistance | housing search assistance (St. Vincent) | moving assistance (St. Vincent, Alberta Works) | subsidized rental housing for seniors | families and singles (Leduc Foundation) | subsidized home purchase (Habitat, HOME) | supportive housing for seniors (Leduc Foundation) | senior housing information and referral
   - **Material Goods** | clothing banks | laundry and bathing facilities | discount household and personal goods (St. Vincent)
   - **Transportation Services** | return morning and after-work bus service from Leduc to Edmonton | para-transit (limited) program service in Leduc | bus and taxi fare coverage available (FCSS and Alberta Works) across the county
   - **Utility Assistance** | emergency utility payments (Alberta Works)

2. **Consumer Services** provide for the education and protection of individuals who buy products and services for personal use, such as establishing and enforcing consumer protection legislation; providing information to help consumers manage their finances and make informed credit and purchasing decisions, etc.
   - Financial management workshops for immigrants
   - Parentlink (resources) | play school subsidies
   - Outreach program for dropouts | literacy programs | remedial education | school based teen parent/pregnant teen programs | vocational education
   - Tax preparation assistance (H&R Block vouchers)

3. **Criminal Justice and Legal Services** promote and preserve the conditions that enable community residents to live in a safe and peaceful environment.
   - Legal Aid Alberta | victim’s services | corrections’ services | family violence information line
4. **Educational Programs** provide opportunities for people to acquire the knowledge, skills, desirable qualities of behavior and character, wisdom and general competence that will enable them to fully participate in and enjoy the social, political, economic and intellectual life of the community.
   - Numerous Public and Separate Schools from K-12 | some private schools
   - Literacy programs | school based teen parent/pregnant teen programs

5. **Public Health and Safety Programs** promote public health, develop and implement measures for safety education and accident prevention, provide emergency rescue services for people in trouble and/or take other steps to enhance public health and safety and enable people to live in ecological balance and harmony with their surroundings.
   - 911 services | RCMP | emergency rescue | fire services | fire stations | municipal enforcement | victims’ services | safety education programs

6. **Health Care** provides services to help individuals and families achieve and maintain physical well-being through the study, prevention, screening, evaluation and treatment of people who have illnesses, injuries or disabilities; and the provision of family planning, maternity and other services that relate to human reproduction and sexual health.
   - **Leduc Hospital** | acute care beds | sub-acute beds | transition beds | inpatient medical and surgical care | general and specialized day surgery | rehabilitation programs | laboratory services | diagnostic imaging | specialized outpatient clinics | 24-hour emergency department
   - **Devon Hospital** | laboratory and radiology services | public health services | home care | adult day program | diabetes education | speech language | rehabilitation services | community nutrition | mental health | 24-hour emergency services
   - **Edmonton Hospitals** | all other health services not available in Leduc or Devon
   - **Other facilities** | Personal Care Network | two nursing homes | long term care (Devon) | clinics in all municipalities except Thorsby and Warburg | Inpatient rehabilitation | independent living
   - **Specialized Treatment** | chiropractic services | palliative care | Lab services
   - **Specialized Medicine** | podiatry/foot | hearing | optometrist
   - **Homecare** | available across the sub-region

7. **Income Support and Employment Programs** help to meet the economic needs of the community by helping residents prepare for, find and sustain gainful employment; providing public assistance and support for those who are eligible; ensuring that retirees, older adults, people with disabilities and other eligible individuals receive the social insurance benefits to which they are entitled; and offering temporary financial assistance for people who are experiencing an unexpected financial crisis in situations where support related to their specific circumstances is unavailable.
• While there are few employment based agencies in Leduc and area, the income support and employment programs offered by the provincial and federal governments are available to all residents of Alberta who meet the qualifications.

8. **Individual and Family Life Programs** promote the personal, social and spiritual development of people in the community by offering services that replace or supplement the care and support that is generally available through the family unit; and offering social, religious/spiritual and leisure-time activities that are personally satisfying and lead to optimal social functioning.

- **Family supports** | Family supports (parenting, bulling) | Family Connections Program | Home Visitation Program | Early Childhood Development Program | Bridges FASD Program | respite care for caregivers | child care providers | youth development programs | seniors outreach (volunteer tax preparation, meals on wheels, elder abuse) | cultural transition facilitators
- **Recreation Centres** | all municipalities
- **Assistance Programs** | Recreation cost assistance (FCSS)
- **Support Groups** | Al Anon | Alcoholics Anonymous | Cocaine Anonymous
- **Social Development and Enrichment** | children’s play groups | parent/child activity groups | youth development | 22 places of worship | religious activities | many volunteer opportunities

9. **Mental Health Care and Substance Abuse Services** provide preventive, diagnostic and treatment services in a variety of community and hospital-based settings to help people to achieve, maintain and enhance a state of emotional well-being, personal empowerment and the skills to cope with everyday demands without excessive stress. Treatment for individuals who range from the severely chronically mentally ill through those who are experiencing difficult life transitions or who are having problems in coping with daily living.

- **Preventative Subsidized Counselling Services** | Stress/anger management | self-esteem issues | relationship issues
- **Inpatient Mental Health Services** | provided in Edmonton
- **Outpatient Mental Health Services, Leduc office** | counselling services | crisis intervention | mental health evaluation | psychiatric services | supportive therapies | caregiver support program | addictions counselling
- **Private Counselling Agencies** | numerous agencies across the sub-region
- **Mental Health Support Services** | early intervention for mental illness | mental health information/education | therapy referrals | transitional mental health services | respite care providers
- **Substance Abuse Services** | assessment for substance abuse | detoxification | DUI offender programs | substance abuse education/prevention | substance abuse treatment programs | supportive substance abuse services | transitional residential substance abuse services
10. **Community Amenities and Services** include programs that provide any of a broad spectrum of services that benefit entire communities. Included are opportunities for individuals or groups to enjoy and benefit from the availability of a variety of services for residents, community agencies, and organizations, and other individuals/groups.

- **Arts and Culture** | arts centres | arts festivals | cultural heritage programs | dance performances | film presentations | historic preservation | historical societies | humanities activities/events | museums | music performances | performing arts facilities | theatre performances | visual arts
- **Community Facilities/Centres** | agency facility space | banquet facilities | conference/convention facilities | drop-in centres | lecture halls/auditoriums | meeting space | multipurpose centres | office space | retreat centres | indoor sports facilities | outdoor sports fields and rinks

### 1.2 GAPS IN COMMUNITY AMENITIES AND SUPPORT SERVICES

A discussion of the gaps is included after the review of the amenities and services inventory.

1. **Transportation**

Public transportation is a major problem in the Leduc Sub-Region. The City of Leduc is the only municipality with transit service to the Century Park LRT Station in south Edmonton, and the service is only available during morning and evening peak hours for the workforce and student populations. There are also transportation services available for persons with disabilities and some seniors’ facilities have mini-buses, but both services are limited in terms of availability. Otherwise, private automobile and taxis’ are the only other option for anyone living in the Leduc Sub-Region. FCSS and Alberta Works provide some bus and taxi fare reimbursement. Any future non-market housing should take the current transportation challenges into consideration when determining the type and location of any future non market housing projects in the Leduc Sub-Region.

Due to its important in terms of regional priorities and growth, transportation and housing are most effectively delivered when they are coordinated regionally. The transportation links to Edmonton are critical to the future growth of the sub-region. Better public transit and disabled transit services are required to ensure that the sub-region continues to be an inclusive community with opportunities for everyone to thrive in their daily living.

2. **Home Care**

There have been lots of staffing challenges with the recent transition to fewer homecare providers. One of the big challenges is the impact of constantly changing home care attendants on the seniors – many were used to have the same attendant every day and find the change
dehumanizing and difficult to accept. To date, there have been fewer challenges in the rural areas because the consolidation of agency contract was much greater.

3. **Homeless People**
Homeless people are more common and growing in numbers in most of the communities in the Leduc sub-region. One explanation is the proximity to the airport. Many workers come from eastern Canada to Edmonton looking for work and end up in Leduc when they are unable to find a job. They often do not have the skills required for the job they were expecting to secure. Some stay in Leduc, hoping to land a job in Nisku or with one of the northern projects, and become homeless due to a lack of financial resources. The government and non-profit agencies in Leduc are working together and helping these people. While there is a small gap, the answer is not some form of temporary housing or shelter. Leduc does not want to become a destination for the homeless.

4. **Domestic Violence**
The closest emergency shelters for women and children are in Edmonton and Strathcona County. In some cases, it is important for families to relocate to another community for safety reasons, but many women struggle with relocating their families to Edmonton due mainly to its size. People also lose their support from family and friends. Agencies have also experienced difficulties finding hotel vacancies in Leduc, due to the local economy and strong demand.

5. **Cultural Transition Facilitation**
Leduc and area have done an excellent job embracing newcomers from other countries to the community. Given the relatively small number of immigrants at any one time, local agencies were able to coordinate and meet all their needs. In some cases, they may have gone too far in terms of indoctrinating people with services to the point where they now think it is normal. For example, there is a family in Leduc that has been coming to the food bank regularly for the past 10 years. Many of the local agencies believe in the philosophy of teaching people to become self-sufficient rather than making them dependant on government and other support programs.

6. **Affordable Day Care**
The high cost of day care and difficulties accessing subsidized daycare make it very challenging for lower income mothers to go back to work or attend educational programs. Much of the future growth will be in young families and any plans to provide non-market housing should ensure that sufficient, affordable daycare space (including all forms of child care) is available in the right locations.

7. **Grief Support**
There is a need for grief support services, especially for seniors. The people who need the support are unable to access the services available in Edmonton.

8. **Inpatient Mental Health Facilities**
There are no inpatient beds available in the entire Leduc County. Anyone requiring these services, which are usually the more severe ill cases, must go to Edmonton to access them, usually at either the Grey Nuns or Misericordia hospitals. This creates many problems. Firstly, accessing transportation to the city hospitals can be difficult, especially for those furthest away from Leduc. Second, many people are not comfortable going to Edmonton and find it very challenging. Third, patients lose their support network (family, friends, etc.), which can make it very difficult for some patients.

9. Outpatient Mental Health Supportive Housing
There are no subsidized supportive housing units available in Leduc for people with mental illnesses returning from inpatient facilities in Edmonton. Often, people returning from treatment who do not have access to supportive housing end up experiencing episodic homelessness and eventually end up back in the hospital. This scenario will keep repeating until these people have access to a stable home with the appropriate supports.

10. Shortage of Support Workers
Many of the agencies who work with the disadvantaged in Leduc and area have found that many of the same families have become dependent on the system and the supports. There is a strong feeling among agency staff that more effort (and money - the gap) is required to get people back on their feet and working towards independence. The answer is more one-on-one support. While the cost would be relatively high, the feeling was that it would be better to serve fewer in a more holistic way in order to help them help themselves. The United Way in Leduc has been making an effort to promote this type of approach, but it does cost more per capita and is challenging to justify.

The exception in terms of demographics was seniors because there are considerable services and staff available now to provide the amount of time required to provide quality case management. And the number of seniors is not unreasonably high so agency staff gets to know them and can coordinate with each other to ensure all of their needs are being met.

11. Persons with Developmental Disabilities
There are no agencies in the Leduc sub-region that provide services to persons with developmental disabilities. The only supportive housing for disabled adults is located in Edmonton, again forcing them to move away from their support network of families and friends.

There are no day programs available for Persons with Development Disabilities in the region, but there may be some opportunities for respite care in Edmonton if specialized transportation is available. Otherwise, family members and other care providers will have no opportunity for a break.
Fetal Alcohol, Spectrum Disorder (FASD) services are available to women in Leduc County through Bridges, but there is not available for men.
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ACKNOWLEDGEMENTS

The consultants would like to thank the members of the Capital Region Board’s Housing Advisory Working Committee for their input and feedback throughout the project. They are:

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<th>Name</th>
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<tr>
<td>Lori-Anne St. Arnault</td>
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</table>

As well, the following key stakeholders from the Sub-Region provided their input and feedback on the gaps in community amenities and support services:

<table>
<thead>
<tr>
<th>Name</th>
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<tbody>
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<td>Kristine Osbaldeston</td>
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<td>Dyan Semple</td>
<td>CALLS</td>
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<tr>
<td>Wendy Senak</td>
<td>Boys and Girls Club</td>
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<tr>
<td>Ed Riediger</td>
<td>Robin Hood Association</td>
</tr>
<tr>
<td>Noreen Soneff</td>
<td>AHS, Suburban Rural Home Care</td>
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<td>Myrna Isaac</td>
<td>AHS, Addictions and Mental Health</td>
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<tr>
<td>Shelley Roth</td>
<td>County Cloths Line</td>
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<td>Marcela Chavez</td>
<td>AHS – Youth Addictions Services</td>
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<tr>
<td>Jean Bell</td>
<td>Strathcona County</td>
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<td>Catrona Gunn-Graham</td>
<td>Strathcona County</td>
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EXECUTIVE SUMMARY

The Capital Region Board retained the Headwater Group Consultancy\(^1\) to prepare a strategic Housing Needs Assessment. The purpose of the project, as stated in the Request for Proposals, was to:

“....promote integrated and coordinated planning of non-market and market-affordable housing at the sub-regional scale. An important step toward addressing the housing needs of the region is determining the extent of this need. In response to this challenge, the CRB Housing Committee seeks to establish a framework for identifying housing need that will guide the development of housing needs assessments throughout the Region in a consistent and comparable manner. Upon completion of the assessment framework, two housing needs assessment studies will be undertaken within the Leduc and Strathcona/ Fort Saskatchewan Sub-Regions”.

The assessments provide the basis to determine the appropriate policy, program and investment responses across the Capital Region and within Sub-Regions at future stages. Two workshops for municipal decision-makers across the Capital Region are planned on how to use the assessments and the tool to understand the housing market and system and review potential policy, program and investment responses.

➢ HOUSING MARKET SUPPLY AND DEMAND

The housing market in the Sub-Region can be described as one where the housing is relatively new and predominantly single detached. The tenure is highly skewed toward ownership (88%), with relatively few traditional rental options available. The housing is in relatively good condition compared to the Capital Region - about 1/3 less of the housing requires major repairs.

The household composition is predominantly families (80%) with a relatively small portion of single person households (18%) - including seniors. The proportion of household maintainers under the age of 40 is smaller than the Capital Region, while the largest age group (36%) is between 30 and 59 years old, which reflect the family oriented homeowner nature of the Sub-Region. Existing homeowners are aging and becoming seniors - their proportion of the total will increase in the coming years.

The median income for households in the Sub-Region is 35% higher than the Capital Region - $106,811 vs. $79,090. The median home value is $401,067 or 15% higher than the Region. Rental housing is in short supply and also more expensive (about 17% higher) than the Region. This is partly because most of the purpose-built rental housing is relatively new and therefore commands a premium rent. It also reflects the fact that 40% of renters live in single-detached dwellings. More than 35% of renters paid more than $1,500 for rent in 2011 compared to 15% in the Capital Region.

Housing starts in recent years have been dominated by detached homes, although ownership options have been augmented by condominiums, which account for most of the multi-unit starts. Very few rental housing units have been constructed, averaging less than 7% (about 516 units) of all housing starts from 2006 to 2013. And of those constructed, most had rental rates at the higher end of the

\(^1\) The assessment guide was developed in collaboration with Focus Consulting of Ottawa, and Gordon & Associates of Edmonton.
rental scale and only a handful were bachelor, 1-bedroom and 3-bedroom units. During this same time period, median rental rates increased by 73%, resulting in a significant decline in availability of affordable rental housing (lower rent units declined by nearly 1,000 homes). This low level of purpose-built rental housing construction combined with an already low level of rental housing inventory has created a significant shortage of rental housing across the housing Continuum in the Sub-Region.

Identifying the Supply Mismatch

The assessment has used the concept of a housing continuum to illustrate the range of dwelling types by tenure and price range relative to the housing requirements of the population, based on income and norm of paying 30% for shelter. Four distinct segments of the continuum are determined as a percentage of the average family income across the CRB: two non-market reflecting traditional social (rent geared to income) housing and more recent “affordable” (as under the Alberta Affordable Housing Initiative), as well as market affordable (based on incomes up to area average) and general market which is affordable to those with incomes above the average, which for Edmonton (CMA, 2011) was $85,000. The continuum is quantified using the distribution of actual rents, home prices and incomes in the Sub-Region to graphically illustrate gaps in housing supply. Separate graphs and charts are included in the Appendix for single and family households because they require different dwelling types; the summary chart below combines all households. This helps to reveal gaps (or surplus in some cases) across the continuum.

The Sub-Region housing continuum shows:

- **Non-Market Social** (0 - $42,500 Household income). There is a shortage of owned housing or rental units priced or renting at levels affordable to households with incomes up to $42,500. Compared the number of households in the sub-region there is a shortage of approximating 3,000 dwellings.

- **Non-Market Affordable** ($42,500 - $63,750 household income). There is a small “surplus supply” of about 130 dwellings. However, those in the previous Non-Market Social housing range unable to find housing there are forced to occupy higher rent units in this price range, and the next, and pay well over 30% of household income; some additional supply of rental housing is required.
• **Market Affordable** ($63,750 - $85,000 household income). Based on being able and willing to pay 30% of income for shelter, there is a theoretical surplus (5,400+) of homes, both for rent and for sale, in this income and price band. However, as noted above there is some overflow of lower income households from the lower income bands who live in this price range, simply because there is a lack of supply in the lower more affordable range.

• **Full Market** ($85,000+ household income). There are more homes existing in this price range than there are households with incomes above $85,000 (100% of the CMA average income). This is because some households have found lower priced homes and pay less than 30% of their income.

The chart clearly reveals that there is a plentiful supply of dwellings (including to buy and to rent) in higher price ranges – and these are augmented by new construction as most new homes are priced to incomes above the average. It also shows that this is not the part of the continuum or market where the need and demand is greatest. The 3,000 shortfall in the lowest income and affordability band applies almost exclusively to rental units in the lower rent ranges (<$749/month). The need is mainly from non-family renter households earning less than $29,750 (1,822 unit deficit), but also from family households earning less than $42,500 (987 unit deficit).

**NON-MARKET HOUSING NEED (EXISTING GAPS)**

The incidence of dwellings in poor condition and experiencing overcrowding is low. Housing problems are predominantly related to affordability and impact mainly renters, reflecting the lower incomes and thus greater risk of affordability challenges:

- About 1/3 of renters in the Sub-Region pay over 30% and about 14% pay over 50% for rent;
- About 77% of households in need are non-seniors and among them, single person households and lone-parent family households make up a significant portion, and;
- There are 2,035 households who paid more than 30% of their income for housing and 945 households who paid more than 50% - lone-parent families had the highest incidence of need at 57% and non-family households had a 53% incidence of need.

A breakdown of the number and type of households in need at both the 30% and 50% affordability levels is shown below:

<table>
<thead>
<tr>
<th>Household Type</th>
<th>HHs in Need Affordability 30%</th>
<th>HHs in Need Affordability 50%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Family W/O Children</td>
<td>195</td>
<td>75</td>
</tr>
<tr>
<td>Family W Children</td>
<td>320</td>
<td>110</td>
</tr>
<tr>
<td>Lone-Parent-Family</td>
<td>345</td>
<td>180</td>
</tr>
<tr>
<td>Other (MF)</td>
<td>95</td>
<td>60</td>
</tr>
<tr>
<td>Non-Family</td>
<td>1,080</td>
<td>520</td>
</tr>
<tr>
<td>Total</td>
<td>2,035</td>
<td>945</td>
</tr>
</tbody>
</table>

The backlog of households in need is extensive:

- Lone-parent families had the highest incidence of need at both the 30% and 50% levels;
- Singles had the second highest incidence of need at both the 30% and 50% levels.

---

2 Affordability @ 50% equates to Non-Market (Social) and Affordability @ 30% equate to Non-Market (Affordable). See Appendix C.
**MARKET AFFORDABLE HOUSING DEMAND (EXISTING GAPS)**

The existing supply of Market Affordable Housing (MAH) far exceeds the demand - 10,296 housing units compared to 4,888 households (See Graph above). The excess supply is almost exclusively single detached housing intended for ownership. Future growth will create a demand for 281 new MAH units annually over the next 7 years (see Table 16 in report). Even with the large surplus of MAH, there is a shortage of smaller bachelor and one-bedroom rental units for single person (including seniors) households.

**SUPPORT SERVICES (EXISTING)**

The information contained in this section is qualitative in nature and is not intended to be an assessment of community amenities and support services - a quantitative assessment requires a much broader set of measures and data and is beyond the scope of a Housing Need Assessment. Community amenities and support services located in the Sub-Region were reviewed by stakeholders and gaps were identified. The main findings were:

- The main gap is public transportation (including services for the disabled/elderly).
- Only basic level of services (intake and assessment). Anything beyond a basic level of support (e.g. counselling, advisory services, etc.) must be accessed through a facility or service located in Edmonton (thus the transportation issue).
- There is a component of the households in need who required certain community amenitites and support services in close proximity to non-market housing. In other instances such as group homes, a full-time care provider may be required 24/7 to make the arrangement work.

**LOOKING FORWARD**

The final consideration is how housing requirements/demand and needs change over time. This draws on population and household projections developed for the CRB. Future housing requirements, incorporating both Non-Market Housing need and Market Affordable Housing demand (annual) for the high scenario are as follows:

<table>
<thead>
<tr>
<th>Age Cohorts</th>
<th>Total Housing Requirements</th>
<th>Non Market</th>
<th>Market Affordable</th>
</tr>
</thead>
<tbody>
<tr>
<td>15-24</td>
<td>6</td>
<td>-3</td>
<td>-</td>
</tr>
<tr>
<td>25-44</td>
<td>468</td>
<td>61</td>
<td>-</td>
</tr>
<tr>
<td>45-64</td>
<td>322</td>
<td>31</td>
<td>-</td>
</tr>
<tr>
<td>65+</td>
<td>514</td>
<td>83</td>
<td>-</td>
</tr>
<tr>
<td>All Ages</td>
<td>1,310</td>
<td>173</td>
<td>281(^3)</td>
</tr>
</tbody>
</table>

Both existing and future housing requirements, needs and demand must be considered in the development of public policy and planning for Non-Market and Market Affordable Housing. The information on the housing market can be used in the development of long range planning (e.g.

\(^3\) The future demand estimates for MAH are not age specific.
MDP’s) and land use policies to ensure that the entire housing market is balanced and functioning in an inclusive manner, as well as support initiatives to improve housing affordability (e.g. flexible zoning to support higher density), specifically Market Affordable Housing.

The implications for future need and demand is similar to the existing need and demand with one exception - the growth in senior households (nearly half of future needs) will place increasing pressure on all housing options from independent living to supportive housing (See Graph below). Policy and Program responses will have to consider ways to ensure that the production of housing appropriate for seniors does not fall behind, both in terms of overall output (housing units) and affordability. Over the past 5 to 10 years, the majority of seniors housing has been constructed as pure market housing with some affordable units. The needs assessment for Sub-Region suggests that more Non-Market and Market Affordable rental housing will be required to keep up with the projected growth of senior households in the next 7 years.

It is recommended that Sub-Regions do not need to separately determine growth in the need for Non-Market and demand for Market Affordable Housing. Rather, they can simply take a per capital share of the overall value. This should be set as a minimum target for production of new Non-Market and Market Affordable Housing in order that the current backlog of need is capped and does not grow further.

Some thought should be given to establishing a CRB policy that would enable the CRB to allocate/re-allocate resources to any sub-region to address emergency high priority needs. This could apply to a range of issues from purchasing land to facilitate development to an unexpected immediate need for housing. This would enable the CRB to act strategically where it is in the best interests of the capital region.

The fundamental CRB policy question that needs to be addressed as the basis of future regional housing planning efforts in the Capital Region is the extent to which the CRB wants each of the Sub-Regions outside of the City of Edmonton to become more “stand-alone”/socially self-sustaining by developing the full range of housing (e.g. rental housing, housing for lower-income households, single-person households, housing for the homeless) and/or housing supports (e.g. adequate public transit,
24/7 supervision, comprehensive home care, etc.) in their areas to enable households of all life cycles and income groups and housing needs groups to remain living in those areas, and not be forced to move to Edmonton or elsewhere due to a lack of housing choice and opportunity in all CRB Sub-Regions.

Where To From Here....

Understanding local conditions and housing needs and demand is necessary for developing effective solutions. Now that the Sub-Region Housing Needs Assessment is complete, the next step in implementing the CRB Housing Plan is development of a Regional Planning Framework. This would incorporate both Non-Market and Market Affordable Housing and build upon the results of the need assessment. The result will be a Regional Housing Plan with a 10 year timeframe that incorporates changing trends and gaps in the existing supply of housing with future housing need and demand and directs the supply of Non-Market and Market Affordable Housing throughout the Capital Region.

Recommendations:

1. Support the Sub-Regional Housing Need Assessment as the core analysis of housing need within the Sub-region

2. Develop key planning steps to facilitate CRB and Sub-region housing policy and program decisions including:
   a. Drafting housing need responses, policy considerations and planning options, at the Capital Region and Sub-region scale at the CRB Housing Needs Assessment Workshop, once all six Sub-region Housing Needs Assessments have been undertaken
   b. Developing and consulting on housing need program and policy responses with housing authorities specifically and the community in general

3. Adopt CMHC’s Core Housing Need as the standard data source for measuring housing need, starting with an order for the 2011 Core Housing Need.

4. Annually update the CRB Housing Assessment Tool through the Housing Advisory Working Group or an alternate, updating key baseline data and reporting on Sub-region housing performance on an annual basis.
   a. Update income profiles by accessing federal Tax Filer data annually.
1. INTRODUCTION

The Capital Region Board retained the Headwater Group Consultancy to prepare a strategic Housing Needs Assessment Framework in September 2013. The purpose of the project, as stated in the Request for Proposals, was to:

“...promote integrated and coordinated planning of non-market and market-affordable housing at the sub-regional scale. An important step toward addressing the housing needs of the region is determining the extent of this need. In response to this challenge, the CRB Housing Committee seeks to establish a framework for identifying housing need that will guide the development of housing needs assessments throughout the Region in a consistent and comparable manner. Upon completion of the assessment framework, two housing needs assessment studies will be undertaken within the Leduc and Strathcona/Fort Saskatchewan sub-regions”.

The Framework will provide a comprehensive, standardized and consistent method for analyzing current and future housing needs across the Capital Region. The two pilot housing needs assessments provide the basis to determine the appropriate policy, program and investment responses across the Capital Region and within Sub-regions at future stages.

Two workshops for municipal decision-makers across the Capital Region are planned on how to use the assessments and the tool to understand the housing market and system and review policy, program and investment responses.

1.1 PURPOSE

Consistent with the Capital Region Housing Plan Vision (“A sufficient, supply, choice and diversity of housing within the Capital Region”), the Housing Needs Assessment involves an analysis of current and future need and demand for Non-Market Housing and Market Affordable Housing in the Sub-Region to ensure effective planning in supporting a diverse range of housing options for all income levels within that sub-region.

Specifically, the analysis will:

- Enable the CRB to be more informed on existing and forecast housing Non-Market Housing need and Market Affordable Housing supply, need and demand conditions and trends in the Sub-Region, and ;

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4 The assessment guide was developed in collaboration with Focus Consulting of Ottawa, and Gordon & Associates of Edmonton.
1.2 THE SIX HOUSING SUB-REGIONS OF THE CAPITAL REGION BOARD

The Capital Region Housing Plan was approved by the Alberta Government in 2009 and recommended a regional planning approach for assessing and identifying housing priorities. The Plan recommended the establishment of the following six (6) housing sub-regions:

- Edmonton Housing Sub-Region
- Leduc Housing Sub-Region
- Sturgeon Housing Sub-Region
- Parkland Housing Sub-Region
- Strathcona Housing Sub-Region
- Lamont Housing Sub-Region

The geographic area of each Sub-Region is detailed in the map below. The Strathcona Housing Sub-Region is comprised of Strathcona County and the City of Fort Saskatchewan and will be referred to throughout the needs assessment as the Sub-Region.

Figure 1: Map of the CRB Housing Sub-Regions
1.3 METHODOLOGICAL APPROACH

The Sub-Region Housing Needs Assessment follows the questions identified in the approach outlined in the CRB Housing Needs Assessment Framework. While the Framework focuses almost exclusively on quantitative data gathered by secondary sources, there are a couple of areas where reliable data is not available. In these instances, qualitative data is often the only option.

In the case of the Sub-Region, in addition to identifying housing supply gaps and imbalances, the CRB was interested in knowing what types of support services and amenities are required either in the housing or in close proximity to meet the needs of the residents. Two meetings were held with community stakeholders to review existing community amenities and services and identify any issues and gaps specifically required to support the residents of Non-Market Housing and Market Affordable Housing. A list of representatives who participated in the meetings in the Strathcona County and the City of Fort Saskatchewan is attached in Appendix C “Community Amenities and Support Services”).

The Housing Need Assessment Framework includes a Housing Assessment Tool (HAT) and a User Guide. The Framework outlines the process for CRB Housing Need Assessments through the HAT analytical model. The HAT reviews and assesses the current housing situation, recent trends and likely future patterns of development. It also seeks to identify housing supply gaps along the housing continuum. While the focus is on assessing requirements for Non-Market Housing and Market Affordable Housing assistance, the Framework allows for the examination of recent market performance, as this sets the context and influences Non-Market Housing issues, such as housing affordability and availability of low-modest priced options. The User Guide describes the process used within an assessment framework and outlines the steps and data elements necessary to create an assessment report.

The Housing Assessment Tool analysis is focused on series of questions ranging from the overall market context through to assessing future need and demand. The findings of the analysis are presented as Excel worksheets, providing focused research findings for each housing assessment question below (CRB Sub Regional Housing Assessment Framework User Guide 2014):

- **Setting the overall market context**
  - What are the Sub-Regional Housing Stock Characteristics: Dwelling, Age, Type and Condition?
  - What are the Population and Household Characteristics of the Sub-Region
  - What is income profile by tenure?
  - What are the trends and current housing prices and rents?

- **Determining nature and extent of housing need and demand (households not served by market)**
  - What is nature of Non-Market Housing need (from NHS 2011, three standards)?
  - What are estimates of incidence of Core Housing Need (uses 2006 - to be updated with 2011, when available)?
What is the nature of Market Affordable Housing demand?

• **What Existing Resources Help to Address Need and Demand?**
  - What is the existing Non-Market (e.g. Social) Housing supply and Market Affordable Housing supply in the Sub-Region?

• **To What Extent are the Market and Ongoing Development Reducing or Exacerbating Housing Need and Demand?**
  - Based on census/NHS how has the historic rent and income distribution changed (this provides a more complete picture than CMHC rent data)?
    - What are trends (since 2006) in new housing start (by type)?
    - What are rent and price trends (since 2006)?
  - What is the existing housing gap - based on the housing continuum?
  - Given that need is more acute among renters, what are gaps in rental supply?

• **Assessing Future Housing Need and Demand**
  - How will population and Household growth (Projections) impact future need?

The Sub-Region Housing Needs Assessment follows the questions identified in the approach outlined in the Housing Needs Assessment Framework (the HAT and the User Guide).

### 1.3.1 Data and Information Sources

The following housing data sources were used to develop this report:

• 2011 Canada Census - National Household Survey (NHS);
• Canadian Mortgage and Housing Corporation (CMHC) housing market reports (new starts, rents and prices and rental vacancies);
• Edmonton Real Estate Board (EREB) sales data on existing house prices from the Multiple List Service (MLS);
• Various forms of administrative data related to existing supportive and social housing inventories, provided by the City of Edmonton, the Sub-Region (including municipalities and the Heartland Housing Foundation), Alberta Municipal Affairs and CMHC, and;
• Websites and brochures for Strathcona County and the City of Fort Saskatchewan were used to collect information on the availability of community amenities and support services.

### 1.3.2 Data Limitations

**CMHC Core Housing Need Estimates**
CMHC uses the census/NHS to generate estimates of core housing need, but has not yet generated updated estimates from the 2011 NHS. The current assessment uses affordability measures as an interim step: households paying over 30% and over 50% of income, supplemented by the 2006 core needs estimates. The assessment can be updated once CMHC releases the update later in 2014.

**Canada Census National Household Survey (NHS)**
The census provides a rich data set, but is limited by timing, every 5 years and delay in publication (2-3 years delay, so data can become 8 years out of date by end of the census cycle). Other data sources are needed to supplement the census/NHS and to provide inter-censual updates.

**Statistics Canada Tax Filer Data**
Income data is available from Statistics Canada using Canada Revenue Agency (CRA) tax files data and is updated annually, with an 18 month lag (2011 tax year data currently available; 2012 data will be available in October 2014). This disaggregates by family type (i.e. two parent and lone parent), as well as non-family households, but does not provide tenure.

Statistics Canada also updates population estimates and components of population change (natural vs. immigration) annually.

**CMHC Monthly Market Surveys**
Rental data (rents and vacancies) are surveyed and published semiannually by CMHC providing regular updates on the state of the market. The data covers privately owned rental apartment buildings containing 3 or more units. Smaller buildings and condominiums are not surveyed, nor is the secondary rental market (e.g. single detached houses, basement suites, etc.). While the survey is a good measure for Edmonton, due to the lack of a traditional rental market in the Sub-Regions, it only covers a small portion of the housing that most renters occupy (less than 25% in some cases) and is therefore not a very reliable indicator of vacancy and rental rates in these areas. Data from the 2011 NHS provide an estimate (based on occupant assessed values in 2011) of the current rental rates of rented accommodation in the Sub-Region.

**Market Affordable Housing Supply and Demand Analysis**
Market Affordable Housing is modest-sized, entry-level, family-oriented housing capable of being produced without upfront or on-going direct subsidies from any order of government for households earning moderate incomes (see Glossary). There is no available source of data that clearly articulates the type and amount of supply and demand for Market Affordable Housing. A methodology was developed to show how the existing supply of housing (ownership and rental) matches with household incomes (Demand). The method is explained in detail in Appendix C.

**Support Services Gaps**
Many of the households in need also require some level of supportive services. This includes emergency and supportive housing as well as various forms of housing which incorporate support services either in house (e.g. 24/7 supervision), or delivered separately via community social service agencies (e.g. home care). While the households in need identified in the assessment include those
with special needs, the data required to separate them out and identify support service needs is not available.

The HAT is built largely on the NHS data. It is important going forward that CRB and municipal staff seek out and regularly update data (e.g. via, CMHC, EREB and Tax filer data) and refresh the assessment as a way to monitor ongoing change in need and demand and to evaluate the impact of any plans and policies related to encouraging a full range and type of supply.

1.4 REPORT STRUCTURE

1.4.1 The Strathcona/Fort Saskatchewan Sub-Region

The geographic area of the Strathcona Housing Sub-Region is Strathcona County with the City of Fort Saskatchewan included. Most of the Non-Market Housing in the Sub-Region is provided through the Heartland Housing Foundation. A description of the Foundation and its housing portfolio is discussed in detail in the Current Housing Market section of the report.

1.4.2 The Current Housing Market

The focus of this section is on developing a baseline of key housing indicators and an understanding of housing need and how the market has impacted need over the past 10 years. The main sub-sections include:

- An overview of the sub-regional housing market, including supply and demand for Non-Market and Market Affordable Housing, household characteristics and income profiles;
- A discussion of households in need and the current Non-Market Housing portfolio, and;
- An analysis of the impact of the housing market and ongoing developments on housing need since 2001.

1.4.3 Looking Forward

This section will use the housing continuum to identify existing Non-Market and Market Affordable Housing gaps and future housing needs and requirements to 2021. The key sections include:

- Customizing the continuum to identify existing supply and demand by tenure and household type (families/singles) for the different types of housing within the continuum, including Non-Market (e.g. Social, Affordable), Market Affordable and full market housing
- A discussion of the gaps in community amenities and support services
- A discussion of future housing requirements and needs by household type and age, 2011 -2021
1.4.4 Pulling the Evidence Together

This section will consolidate insights and findings in the preceding analysis and identify potential implications and policy and program options. It will also identify the quantity and type of resources required to respond to the identified type and magnitude of housing need (as suggested for example by setting growth in need as a minimal target for annual new social housing development).
2. STRATHCONA/FORT SASKATCHEWAN HOUSING SUB-REGION

The CRB Housing Sub-Regions were proposed and established as a model for regional planning, priority setting and coordination of Non-Market Housing and Market Affordable Housing across the continuum. To this end, the Heartland Housing Foundation was formed through the amalgamation of the former Social Housing Management Agencies: Pioneer Housing Foundation, Fort Lions Haven, and the Fort Saskatchewan Foundation. While the mandate of the three organizations focused on seniors housing and supports, Heartland Housing Foundation’s mandate was expanded to include Non Market Housing for all ages in the Strathcona Housing Sub-Region. More details on Heartland Housing Foundation are contained in Section 3.3.

3. THE CURRENT HOUSING MARKET

3.1 HOUSING MARKET OVERVIEW

The Housing Market Overview describes the status of the housing market in the Sub-Region and contrasts it against the Capital Region in four main areas:

- Housing Stock Characteristics
- Population and Household Characteristics
- Household Income Profile
- House Prices and Rental Rates

Many of the variables used in this section will form the baseline from which future progress can be measured. A thorough understanding of the local housing market and conditions is fundamental to develop effective policy and program responses. A summary of the key findings will be provided at the end of Section 2.

3.1.1 Housing Stock Characteristics

Characteristics of the housing stock will set the baseline for describing the type of housing that currently exists in the Sub-Region. Characteristics considered for the assessment include: dwelling type, tenure, age and condition of the existing housing stock.

3.1.1.1 Dwelling Type

The mix of dwellings by type is the main indicator for determining density and diversity of the housing stock. As the density of housing forms increases, the cost of development decreases. Increased
affordability can be realized through several factors including reduced cost of land (per unit) and building materials, and efficient use of municipal infrastructure. Increased energy efficiency results in lower operating costs. Comparing the housing form against the type and mix of households that live in the area (next sub-section) helps to refine and further assess whether there is a full range of house types and choice (which also imply price and rent variations).

The Sub-Region contains 40,445 dwelling units or about 9% of the housing stock (about 432,000 units) located in the Capital Region. Overall, the housing stock in the Sub-Region is somewhat typical of exurban and suburban development - mostly single detached housing. The main differences in the type of housing located in the Sub-Region compared to the Region as a whole are:

- Single Detached - 80% vs. 59% for the Capital Region;
- Row - 4% vs. 8% for the Capital Region;
- Apartments - 8% vs. 24% for the Capital Region;

Graph 1 portrays a fairly clear picture of how the distribution of dwelling units in the Sub-Region compares to the Capital Region overall. Table A1 in Appendix A provides a detailed comparison of the unit mix by type of dwelling.

Graph 1 show that the existing housing stock is mainly low density single detached dwellings with few other options. The size and nature of the housing stock in Strathcona County, namely acreage developments and single detached housing in Sherwood Park, has a significant influence on the overall Sub-Region.

One of the concerns with communities with a high percentage of single detached dwellings is the impacts of the aging of their resident households on their overall populations and socio-demographic compositions of those communities. These include reductions of peak populations generally after the first decade or two, when as the majority of families remain in their homes and their children grow older, area schools experience lower utilization rates and the overall population comprises growing
proportions of elderly non-family households. In the absence of a more balanced supply of different housing types, many of these households are forced to relocate to communities that offer multiple-unit structures more suited to seniors housing needs, especially those with lower incomes.

The traditional forms of higher density housing (apartment and row housing), which generally are more affordable, represent a fairly small portion of the housing stock - only 12% vs. 32% for the Capital Region. The absence of more affordable built forms suggests a dwelling type imbalance that could prevent lower income and/or non-family households (especially renters) from remaining in or moving to the Sub-Region.

### 3.1.1.2 Housing Tenure

Housing tenure will focus on ownership and rental housing. Tenure is important for a couple of reasons. High rates of ownership are a sign of prosperity and stability. However, many households cannot afford to own and rely on the rental market for accommodation to meet their affordable housing needs. Tenure is another baseline measure.

Out of a total housing stock of 40,445 housing units in the Sub-Region, 88% or 35,490 dwellings are owner occupied. This compares to 71% for the Capital Region. The ownership rate for single detached housing is 94% vs. 91% for the Region. The ownership rate is higher for every dwelling type compared to the Capital Region, but is noticeably higher for apartments - 48% vs. 24%. This is partly because most of the apartment stock has been constructed since 2000 and is comprised of mainly condominiums purchased by investors for rental housing. The impact of condominium development on the ownership ratio is more significant than in Edmonton where the majority of apartments were constructed prior to the year 2000.

Unless the Sub-Region is able to attract more interest in building rental housing, it will be difficult to keep young adults moving out of their parents’ homes in the Sub-Region and to attract single-person households into the Sub-Region to live. The results are evident in the amount of traffic from Edmonton to the Sub-Region every day.

### 3.1.1.3 Age of the Housing Stock

The age of the housing stock in a community is generally related to the overall condition of the stock. Similar to the population growth experienced by the sub-region in recent years, the housing stock has expanded quite rapidly, especially in relation to historical growth rates and the overall Capital Region. As a result, housing stock in the Sub-Region is newer than the Capital Region as a whole.

- 61% built of dwellings built after 1980 vs. 51% for the Capital Region
- 35% built of dwellings built after 2000 vs. 24% for the Capital Region
Overall, the housing stock is relatively new compared to the Capital Region overall. See Table A2 in Appendix A for a more detailed breakdown of the age of the housing stock.

### 3.1.1.4 Housing Condition

Housing Condition is an indicator of the health of the structure and the occupants. Housing that is in disrepair has a shorter lifespan and will require redevelopment sooner. Poor housing conditions are associated with a wide range of health conditions including respiratory infections, asthma, lead poisoning, injuries and mental health. The NHS data provides two measure of housing condition: only regular maintenance or minor repairs needed and major repairs needed\(^5\).

About 4% of the owned housing stock in the Sub-Region is in need of major repairs versus 6% for the Region overall. In the case of the rental stock, 6% is in need of major repair vs. 9% for the Capital Region. Overall, the housing stock is in better condition compared to the Capital Region, given that nearly 1/3 was constructed in the past 13 years. See Table 1 for more details.

<table>
<thead>
<tr>
<th></th>
<th>Sub-Region</th>
<th>CRB</th>
<th>Share of CRB</th>
</tr>
</thead>
<tbody>
<tr>
<td>Owned stock</td>
<td>1265</td>
<td>17,850</td>
<td>7%</td>
</tr>
<tr>
<td>Repairs as % all owned</td>
<td>4%</td>
<td>6%</td>
<td></td>
</tr>
<tr>
<td>Rental Stock</td>
<td>285</td>
<td>11,415</td>
<td>3%</td>
</tr>
<tr>
<td>Repairs as % of Rented</td>
<td>6%</td>
<td>9%</td>
<td></td>
</tr>
</tbody>
</table>

Source: Statistics Canada, Canada Census, 2011

### 3.1.2 Population and Household Characteristics

The demographic profile and location of the population determines the specific impacts of housing demand. The baseline profile provides insight on the population characteristics to highlight key features and differences: Is the population generally older or younger and how might their need and demand change in short-medium future? What type of housing stock will be needed to ensure a range of options to respond to changing needs of existing residents?

Demographic characteristic and population and projections are important because they drive household formation and demand, which impact the number and nature of households in need. However, housing is demanded and consumed not by individuals but households, so nearly all of the assessment focuses on household characteristics rather than individual population statistics.

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\(^5\) See Glossary for definitions
### 3.1.2.1 Population by Age

The demographic profile of the Sub-Region is not that different from the Capital Region. The population is distributed a little differently, as explained below:

- 26% of the population is under 20 years of age compared to 24% for the Capital Region;
- 19% is between 20 and 24 years of age compared to 24% for the Capital Region;
- 45% is between 35 and 65 years of age compared to 41% for the Capital Region;
- 11% of the population is 65+ years of age compared to 38% for the Capital Region.

Due to the relatively high migration levels within the Sub-Region - about 1/3 of the households moved between 2006 and 2011, nearly half of which came from outside of the Sub-Region - it is difficult to interpret too much into the demographics of the Sub-Region. See Table A3 in Appendix A for details on the population by age.

It is important to note that 19% of the population in Strathcona County is between the ages of 20 – 34, compared to 24% for the City of Fort Saskatchewan. Conversely, 30% of the population in Strathcona County is between the ages of 45 – 64, compared to 26% in Fort Saskatchewan. This does suggest that Fort Saskatchewan has a slightly more balanced population compared to Strathcona County. This could be the result of migration levels and the fact that Fort Saskatchewan is an older community and has grown over a much longer period of time.

In terms of the impact on future housing requirements, the age of the household maintainers is the critical piece of information required to project long term requirements and needs. This discussion takes place in the next section.

### 3.1.2.2 Household Characteristics

In this section, both the characteristics of household characteristics and the type of dwelling units that exist are examined to gain an understanding of the current state of the local and regional housing markets. Three household characteristics are discussed: type of households, size of households and age of the household maintainers.

#### 3.1.2.2.1 Types of Households

It is important to distinguish between the different types of household in order to analyze and identify priority households and enable more specific policy and program responses. The two main categories of household type available from the NHS data are families and non-families (mainly single person) households. Each category of households includes sub-sets such as couple families with no children, lone parent families, etc.

While the Sub-Regions’ population was 111,585 in 2011 or 9.6% of the Capital Region population, there were 40,460 households, which represent 8.95% of the households in the Region. This smaller share of households compared to population is due mainly to the fact there
are more families in the Sub-Region as a share of total households - 80% compared to 68% in the Capital Region. Conversely, only 17% of the households are singles compared to 26% for the Region. These results show an average household size of 2.7 compared to 2.5 for the Capital Region. The results are displayed in Graph 2 and the details are included in Table A4.

Couple and two-parent family households represent a larger share of the total in the Sub-Region than they do in the Region - 67% compared to 53%; all other types of households represent a smaller share of the total when compared to the Capital Region. The variance is greatest among single person households - 17% vs. 26% for the Region. Lone parent families generally have lower incomes and so their problems are more related to affordability. However, the lack of housing options for singles makes it difficult for many households to live in the Sub-Region. For example, separated and divorced spouses have to live nearby to share responsibilities and have close contact with children. This would be difficult, especially for lower income households, to achieve in the Sub-Region.

An important question is why the Sub-Region has such a predominance of family households who are owners compared to the CRB? Several factors have to be considered, not the least of which is household income, before this question can be answered. Part of answer is also the promotion of a lifestyle with low density residential development and mostly single detached housing owned by its occupants. The vast majority of growth over the past 10 - 20 years was from families looking for an affordable single detached house with a big yard for the kids.

One of the unintended consequences of this approach is that today there is very little attraction or appropriate accommodation available for single person households to live in the sub-region. This has future policy implication for both Market Housing and Non-Market Housing, particularly if the CRB is encouraging each of its housing Sub-Regions to be more diverse, inclusive and self-sustainable.
3.1.2.2 Size of Households

In addition to the household type, the size of the household is also important in terms of estimating future housing requirements. The size and composition of the household determine the size, and to some extent, the type of dwelling (e.g. number of bedrooms) required to meet the needs of the household.

There is a greater representation of larger households in the Sub-Region:

- 83% of households are greater than 1 person compared to 74% for the Capital Region;
- 47% of households are 3+ persons compared to 39% in the Capital Region.

See Table A5 for details and Graph 3 for a pictorial comparison of the Sub-Region and the Capital Region.

The fact there are relatively more families and fewer households headed by a single person is evident from Graph 3. The differences are noticeable in the 1-person household - 17% versus 26% for the Capital Region and the 3-4 person household - 37% versus 32%. Part of the reason why there are so few single person households is because there are so few bachelor and one-bedroom apartments in the Sub-Region.

3.1.2.2.3 Age of Household Maintainers

The age of the household maintainer is a demographic variable important for understanding the needs of existing households and critical for projecting housing requirements.

The age profile of household maintainers in the Sub-Region has some difference when compared to the Capital Region:

- The proportion of household maintainers under the age of 39 is smaller than for the Region. This is the prime household formation/first time home buyer group. Part of the
reason for a smaller proportion of younger household maintainers is because there are so few rental options in the Sub-Region and rents are higher, giving many young adults leaving home no other option than moving elsewhere. The construction of affordable housing options such as condominium development has been lagging for several years (i.e. 18% of starts from 2006-10 and 8% for 2011-12), exacerbating the situation.

- The largest age group of household maintainers is concentrated in the 30 - 59 age cohorts (36%), which reflect the family oriented homeowner nature of the Sub-Region. The existing homeowners are starting to become seniors and the rate will accelerate in the coming years. This could also reflect the role of the Sub-Region (e.g. Sherwood Park) as a “move-up” market for families living outside of the Sub-Region.

A detailed breakdown of the number of household maintainers by age group is provided in Table A6. The age of the household maintainer is used to cross-tabulate against other variables to gain more insight into various dimensions of housing need.

### 3.1.3 HOUSEHOLD INCOME PROFILE

This section will examine the distribution of median household income by tenure and age cohort. The data on housing costs provides comparisons with other sub-regions and municipalities, however, household incomes must be included to assess affordability.

#### 3.1.3.1 Households by Income Range

The distribution of households by income range is a good indicator of how many households may be experiencing affordability problems. The results show that household incomes in the Sub-Region are distributed quite differently than the Capital Region. Given the percentage of families, many with two earners, a smaller percentage of households in the Sub-Region earn less than $60,000 annually compared to the Capital Region (24% vs. 38%). Conversely, 54% of the households make $100,000+ annually compared to 37% for the Region. See Table A7 for details and Graph 4 for a display of the income distribution within the ranges.
Overall, the median income for the Sub-Region is 35% higher than for the Capital Region overall - $106,811 compared to $79,090 respectively, which is considerable from an affordability standpoint. This higher income reflects the fact there are more families with two-income earners per household and fewer non-family households - both elderly and non-elderly.

3.1.3.2 Household Income by Tenure

Owner and renter households usually have very different levels of incomes, with renters being more concentrated at the lower income ranges. This is important because nearly all Non-Market Housing policy is directed to renter households, specifically because they have such a high incidence of affordability need.

The median homeowner income is significantly higher - $114,190 vs. $94,470 - by about 20% compared to the Region as a whole. Similarly, the median renter income is 27% higher than the Region - $60,516 versus $47,521. The Sub-Region has a relatively small number of renters, but they have significantly higher incomes (27%) than the Region as a whole. This can be partly explained by the fact that over 60% of renters are families, many with more than one income earner.

### Table 2: Median Household Income by Tenure

<table>
<thead>
<tr>
<th>Household Income</th>
<th>Strathcona Sub-Region</th>
<th>CRB</th>
<th>Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Median owner income $</td>
<td>$114,190</td>
<td>$94,470</td>
<td>120%</td>
</tr>
<tr>
<td>Median renter income $</td>
<td>$60,516</td>
<td>$47,521</td>
<td>127%</td>
</tr>
<tr>
<td>Renter Median as % owner</td>
<td>53%</td>
<td>50%</td>
<td></td>
</tr>
</tbody>
</table>

Source: Statistics Canada, Canada Census, 2011

The Sub-Region has a median renter income that is just 53% of the median owner income compared to the Capital Region’s ratio of 50%. This difference is not that significant and suggests that renters may have a slightly easier time making the transition to homeownership than in the Region as a whole. The difference is displayed in Graph 4 below.
3.1.3.3 Household Income by Age Group and Tenure

Combining age groups and median income levels by tenure can provide a more refined sense of housing needs and requirements. For example, examining the income distribution of renter households by age group allows builders to gauge the purchasing power of households in need of Market Affordable Housing (e.g. first time homebuyers) and adjust their building models and prices accordingly.

As mentioned earlier, data shows that in general renters have much lower median household incomes than owners. Overall, the median income for renter households is 50% of the median income for owner households in the Capital Region. In the Sub-Region, the ratio is slightly higher at 53% overall. For some age groups, the ratio is much lower. For example, renter households with maintainers between 50 - 54 years of age have a relatively low ratio of just 34% or an annual household income of less than $49,000, which reflects weaker employment skills for this age group. These households will become seniors and impact the demand for affordable seniors housing. As well, renter households aged 70+ have median incomes of between $23,000 and $30,000 annually, which is about 10% below the median for the Capital Region. This suggests an emerging need for seniors housing, some with assisted living that is affordable for seniors with this level of annual income (e.g. subsidized seniors lodge rates).

Graphs 6 and 7 below show the relationship between the median renter and median owner household incomes by age groups for the Sub-Region and the Capital Region.

![Graph 6: Median HH Income by Tenure and Age of Maintainer, Strathcona Sub-Region, 2011](image)
3.1.4 House Prices and Rental Rates

The cost of housing is another important factor in assessing local housing market conditions and establishing baseline data. Housing affordability varies by community because it is a function of income and housing costs by location, for both ownership and rental housing. It is important to track the changes in housing costs by municipality and sub-region to measure change relative to each sub-region and the Capital Region as a whole.

Again, five different sources of data are used to explain housing costs – the 2001 and 2006 Canada Census data, 2011 National Household Survey (NHS), Edmonton Real Estate Board Multiple Listing Service (MLS) and the CMHC Rental Market Survey.

3.1.4.1 Home Ownership

Homeownership is important for several reasons:

- Pride of ownership;
- Sense of security and well-being – payments are fixed and only subject to interest rate fluctuations upon renewal, and;
- Wealth creation due to rising property values and tax-free capital gains.

Homeownership is the dominant tenure in Alberta, comprising the majority of the housing market, both in households and stock. It is important to understand the cost of homeownership and monitor it
over time to observe how it changes. There are two sources for that are used to determine the relative cost of ownership housing: the NHS (every 5 years) and more frequent MLS (monthly) data.

3.1.4.1.1 2011 National Household Survey (NHS)

Data from the NHS provides a point in time estimate (based on occupant assessed values in 2011) of the distribution of homeowners by the current value of their homes.

While the data in Table A8 is based on a homeowner estimate, it shows the distribution of home values being quite different, and generally much higher than the CRB:

- 24% are below $350,000 vs. 42% for the Capital Region
- 31% are above $500,000 vs. 19% for the Capital Region

Most homeowners in the Sub-Region own more expensive homes compared to homeowners in the Capital Region overall. This is reflected in the fact that the median house value was $401,067 in the Sub-Region in 2011, compared to $350,104 across the Capital Region, or about 15% higher. The distribution of house prices between the two geographies is clearly displayed in Graph 8 on the following page.

![Graph 8: Distribution of Home Prices (NHS), 2011](image)

The distribution is a result of the type and price range of the product that has been most prevalent in the Sub-Region housing market place over the past 20 to 30 years.

3.1.4.1.2 Edmonton Real Estate Board

Sales data from the Edmonton Real Estate Board’s Multiple Listing Service (MLS) provides a consistent and comprehensive source of information on real estate values for the various housing types. For the most part, the median sales prices for single detached housing and
condos are a little higher in the Sub-Region than they are in the Sub-Region, whereas semi-detached and row housing are similar in price to the Region. Table 3 below includes the median sales price and number of sales by dwelling type for 2013 for the Sub-Region and the Capital Region.

Table 3: Median House Prices by Dwelling Type, 2013

<table>
<thead>
<tr>
<th>House Type Price</th>
<th>Strathcona Sub-Region (n)</th>
<th>CRB</th>
<th>Difference (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Detached</td>
<td>$416,250 (1362)</td>
<td>$380,000</td>
<td>9.5%</td>
</tr>
<tr>
<td>Semi/row</td>
<td>$306,750 (150)</td>
<td>$316,500</td>
<td>(3.2%)</td>
</tr>
<tr>
<td>Condo</td>
<td>$260,000 (347)</td>
<td>$226,000</td>
<td>15%</td>
</tr>
</tbody>
</table>

Source: Edmonton Real Estate Board, MLS Sales

It should be noted that sales volumes and thus opportunities in the lower priced options (condo) are much fewer than for detached homes, which dominate the local market. While the median condo price in Strathcona in 2013 was $260,000, only half of the sales were at prices below the median, so some 175 sales only. Details can be found in Table A17.

3.1.4.2 Rental Housing

While often overlook, the rental housing is important for several reasons:

- Plays an important role in terms of ensuring an adequate supply of housing to meet fluctuating demand (e.g. increased demand from net in-migration in periods of economic growth);
- Provide young adults leaving home with affordable options and choice;
- Enable seniors’ who want to downsize some affordable options that do not require long-term commitments;

There are also two sources for determining the relative cost of rental housing: The NHS (every 5 years) and the CMHC Rental Survey (spring and fall annually).

3.1.4.2.1 2011 National Household Survey (NHS)

Again, data from the NHS provides a point in time estimate (based on occupant rent paid) of the distribution of renters by rental rate ranges (2011).

Renter households in the Sub-Region paid significantly more for rent, as evidenced by the following (see Table A8 for details):
- 27% of renters paid less than $1,000 for monthly rent compared to 46% for the Sub-Region;
- 58% of renters paid $1,200+ for monthly rent compared to 44% in the Sub-Region;
- 35% of renters paid $1,500+ for monthly rent compared to 15% in the Sub-Region;

The distribution of renter households by rental range is illustrated in Graph 9 below.

Overall, the median shelter cost for renter households was $1,261 in 2011, compared to $1,062 for the CRB – a difference of 23%. Again, this reflects the preponderance of rented single detached dwellings, duplexes and condominiums, which typically have higher rents than smaller, older apartment units. In 2011, 40% of all renters lived in single detached housing in the Sub-Region. Details are included in Table A9.

### 3.1.4.2.2 CMHC Rental Market Survey

CMHC’s Rental Market Survey only covers purpose built structures of 3+ units, which represents less than 25% of the renter-occupied housing stock in the Sub-Region. However, the surveys are consistent and there are many years of reliable data available, so they do provide useful information, especially in terms of trends.

Overall, rental rates in privately owned apartments are similar between the two geographies. The exception was 3+ bedroom units, which are significantly lower in the Strathcona Sub-Region. The specific rates by number of bedrooms are shown in Table 4.

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6 Some caution is needed in interpreting this data because the CMHC rental survey covers only purpose built apartments and row units; the occupied rental stock includes many detached or duplex homes which have higher rents, and rented investor owned condominiums that are not included in the survey data.

7 The fall 2013 CMHC survey shows twenty-two (22) 3+ bedroom units in Strathcona County (non in Fort Saskatchewan) with an average rent of $1,233. Not sure whether the $1,107 number is accurate.
## Table 4: Apartment Rental Rates, 2013

<table>
<thead>
<tr>
<th>Average Rental Rates</th>
<th>Sub-Region</th>
<th>CRB</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bachelor</td>
<td>$742</td>
<td>$785</td>
</tr>
<tr>
<td>One-bedroom</td>
<td>$978</td>
<td>$934</td>
</tr>
<tr>
<td>Two-bedroom</td>
<td>$1,131</td>
<td>$1,142</td>
</tr>
<tr>
<td>3+ bedroom</td>
<td>$1,107</td>
<td>$1,292</td>
</tr>
</tbody>
</table>

CMHC Rental Market Survey, 2013

Apartment vacancy rates were about 2% overall in 2013, compared to 1.4% for the capital region. No vacancies were recorded for bachelor and 3+ bedroom units in the fall of 2013 CMHC survey.

### 3.1.5 Summary

- The housing stock is predominantly low density single detached housing that is relatively new with 30% of the overall stock being 13 years old or newer. The tenure is highly skewed toward homeownership, with relatively few traditional rental opportunities available in the Sub-Region. Overall, the housing stock is in relatively good condition compared to the Capital Region - about 1/3 less per capita in need of major repair.

- The demographic profile shows a much younger population with a greater share of children and relatively a smaller share of senior citizens. The Sub-Region’s population is concentrated in Sherwood Park and Fort Saskatchewan.

- The household make-up is predominantly families, comprising 80% of households, with only small portion of single person households - 18% including seniors - compared to the Capital Region. It is not surprising that a large portion of households - 47% - are 3+ persons compared to 41% for the Region.

- The Sub-Region has a larger share of households who earn more than $100,000 annually (54%) compare to the Capital Region overall. The median income is 14% higher - $106,811 compared to $79,090. There is an even greater divergence among renter households. The median renter household income is 27% higher than the Capital Region - $60,516 versus $47,521.

- The distribution of home values among homeowners is similar to the Capital Region. There were considerably fewer homes valued at less than $350,000 and significantly more properties valued at over $500,000, compared to the Capital Region as a whole. In terms of rental rates, 27% of renter households paid less than $1,000 for rent compared to 46% in the Capital Region; Conversely, 35% paid $1,500+ for monthly rent (more often for single-detached housing) compared to 15% in the Region (more often apartments).

- Rental housing in the Sub-Region appears to be in short supply and more expensive than in Edmonton. This is partly because most of the purpose-built rental housing has been built in
the last 10 – 15 years and therefore commands a premium similar to newly constructed housing in Edmonton at this time. It also reflects the short supply and the higher rents in non-traditional forms of rental housing (e.g. single detached dwellings).

- The low number of smaller rental units limits options for lower rent, more affordable accommodation. This will also influence the locational decisions of small non-family households, especially singles and some seniors. This small number of lower rent market units has implications for affordability and need.

### 3.2 HOUSEHOLDS IN NEED

Determining the nature and extent of households in need is the main reason for undertaking a housing needs assessment. Comparing the distribution of the households in need with the portfolio of non-market units across the capital region will point to the gaps that currently exist. This will facilitate priority setting and capital planning, ensuring that the gaps and imbalances in the supply and need for non-market housing are identified.

Determining the nature and extent of the need and demand for Non-Market Housing and Market Affordable Housing respectively is the main reason for undertaking a housing needs assessment. Comparing the distribution of the households in Non-Market Housing need and Market Affordable Housing demand with the portfolio of Non-Market and Market Affordable Housing units across the Capital Region will point to the gaps that currently exist and that are forecast into the future. This will facilitate priority setting and planning for the inclusion and funding of these units, ensuring that the gaps and imbalances in the supply, need and demand for these units are identified.

Canada Mortgage and Housing Corporation (CMHC) have developed a Core Housing Need measure, which uses a two-step process to identify the number and incidence of households in need of housing:

- Does a household experience any one of or a combination of problems based on three standard measures of suitability (number of bedrooms compared to household composition), condition (need for major repair) and affordability (paying greater than 30%)? And,

- Is the household’s gross income below a specified threshold (which is separately calculated for each Census Metropolitan Area (CMA) and for each household size, 1 person 2 person etc.)?

The number and incidence of households experiencing each of the three standard measures is available for the Sub-Region and the Capital Region from the 2011 NHS. The data will be used to reveal how the incidence of suitability, adequacy and affordability varies across different households. Affordability includes two measures - those households paying more than 30% and those paying more than 50% of their income for housing.

In the absence of the 2011 Core Housing Need estimates, proxy measures are used. These cover the three standards used in the CMHC model, but without the income threshold (Step 2). A proxy for core
need can be to use those paying greater than 50%, which is often considered an extreme and acute threshold or very heavily rent burdened households. Another proxy is to use a factor of median income by household type.

3.2.1 2011 National Household Survey and Housing Need

The incidence of households experiencing each of the three suitability, adequacy and affordability problems is shown in Table A10. The Sub-Region has a lower incidence of need in all of the categories except adequacy, when compared to the Capital Region, where it is the same as for the Region. If renter households are separated, there is little difference, except for the affordability measure, which is lower at both the 30% and 50% level. In the housing market overview, households in the Sub-Region had higher median incomes, but rental rates were also higher. The end result is that there are a similar percentage of renter households experiencing affordability problems in the Sub-Region compared to the Capital Region.

3.2.1.1 Housing Need by Type of Need and Tenure

The comparative incidence of need by household type and tenure is illustrated in the Graph 10 below. It compares renter households to all other households and shows that the incidence of affordability problems in the Sub-Region is considerably higher than suitability and adequacy problems. If we examined each tenure separately (as shown later in graph 11), the incidence of affordability problems is much higher in comparison to the other problems.

![Graph 10: Incidence of Housing Need by Type and Tenure, 2011](image)
3.2.1.2 Renter Households by Type of Need and Household

The number of renter households in need by type of problem and household type in the Sub-Region is found in Table A11. In terms of absolute numbers of households in need, highlights of the number of households by type of housing problem are:

- 215 family households had suitability problems comprised of lone-parents, couples with children and other families;
- 285 households had adequacy problems comprised of couples with and without children and non-family households;
- 2,035 households paid more than 30% of their income for housing, comprised mainly of non-families (53%) and families with children;
- 945 households paid more than 50% of their income for housing, comprised mainly of non-families (55%) and families with children;

The number and type of households in need by type of problem is displayed in Graph 11. In terms of absolute numbers, non-family households comprise 53% of all households in need paying more than 30% of their income for housing and 55% of all households paying more than 50% of their income. This level of need among mainly single-person households is significant because they only represent 20% of the household type in the Sub-Region. It suggests more non-market housing for non-family is a priority.

Graph 11: Number of Renter Households in Need by Type of Household and Problem, Sub-Region

While absolute numbers of each type of household in need are important when it comes to determining funding levels, in terms of prioritizing who is in greatest need, the incidence or rate of occurrence of need by each household type must also be considered. Overall, 11% of households had an adequacy problem, 9% had a suitability problem, 41% experienced
affordability problem at 30% and 21% had a problem at 50%. The most acute cases of need by housing problem are highlighted below:

- 11% of families and 5% of lone-parent and non-family households experienced adequacy problems
- 19% of other families and 13% of lone-parent families experienced suitability problems;
- 57% of lone-parent families and 53% of non-families experienced affordability need at 30%;
- 30% of lone-parent families and 25% of non-families experienced affordability need at 50%;

The incidence of need among renter households by household type and problem is shown in Graph 12.

Graph 12: Incidence of Need by Household Type and Problem, 2011

3.2.1.3 Renter Housing Need by Household Type of Household and Age

Another dimension of housing need is the age of the household maintainer. Generally, newly formed households have relatively low incomes because they are younger (they have less experience and earn less). As the household maintainers age, they generally earn more and have more disposable income. Eventually, as household maintainers age and become seniors and retire, their incomes are generally lower, fixed at a monthly rate and decline in real dollars over time.

This trend is fairly evident in the picture portrayed in Graph 13; younger renter households with maintainers under the age of 25 have lower incidences of need, except for households with 2 or more
unrelated people. Between the ages of 25 and 44, the incidence of need among families peaks at 43% and 55% for lone-parent families. The incidence of need declines for household heads 45 years of age and older. The exception is single-person households 75+ years of age which have an incidence of 31%.

A review of the data in Table 6 shows there are 475 renters who are also seniors (see Table 6). However, when cross-tabulated with age, the income component and low number of responses causes the data to be suppressed for confidentiality reasons. It does show there are 420 single renter senior households in need compared to 55 senior households who are couples.

The number of renter households by type of household and age are contained in Table 6.

<table>
<thead>
<tr>
<th>Age Cohort</th>
<th>Total</th>
<th>Family</th>
<th>Lone-Parent</th>
<th>Single</th>
<th>2+ unattached</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>2035</td>
<td>610</td>
<td>345</td>
<td>990</td>
<td>90</td>
</tr>
<tr>
<td>&lt;25 Years</td>
<td>230</td>
<td>45</td>
<td>20</td>
<td>110</td>
<td>40</td>
</tr>
<tr>
<td>25-44 Years</td>
<td>735</td>
<td>260</td>
<td>190</td>
<td>165</td>
<td>0</td>
</tr>
<tr>
<td>45-64 Years</td>
<td>590</td>
<td>180</td>
<td>110</td>
<td>260</td>
<td>0</td>
</tr>
<tr>
<td>65-74 Years</td>
<td>140</td>
<td>20</td>
<td>0</td>
<td>110</td>
<td>0</td>
</tr>
<tr>
<td>75+ Years</td>
<td>335</td>
<td>0</td>
<td>0</td>
<td>310</td>
<td>0</td>
</tr>
</tbody>
</table>

The incidence of need is highest among non-family households and single non-person households also account for the largest number of households in need. Whether incidence out weights actually
numbers in terms of priority setting is a matter of debate for every sub-Region. The number of renter households in need by type of household and age is displayed in Graph 14.

![Graph 14: Number of Renters in Need by Type of Households and Age of Maintainer, 2011](image)

A couple of key points stand out in the Sub-Region:

- The high degree of suitability among 2+ family households (19%) and lone-parent families (13%)
- The high degree of affordability need among non-family renter households, including non-elderly as well as seniors, at both the 30% and 50% levels of affordability. It does suggest that Strathcona needs to encourage more rental housing for single people (smaller apartments) that are affordable for people who earn less than the median income in the Sub-Region.
- The incidence and number of lone-parent families in need is high, again suggesting the need for 3-bedroom housing that is affordable.

### 3.2.2 2011 Core Housing Need Estimates

As mentioned earlier, due to the absence of the 2011 Core Housing Need estimates, the 2006 estimates for the Edmonton CMA will be used for illustrative purposes. Once the 2011 data is available this section can be updated with estimates for the Sub-Region and the Capital Region with a more robust analysis of the data.

It is useful to drill into core need data to explore which particular households are most in need. The data in Table A12 in Appendix A shows there were 41,220 households in the Edmonton CMA (2006) in Core Housing Need. Even though the majority of households are owners, renter households out-
number owners almost 2½: 1. The reason is because the incidence of need among renters is much higher (5.4 times) than owner households. Overall, 4.6% of owner households are in core need compared to 24.6% of renter households. In short, problems are far more acute for renter households.

Graph 15 shows that in term of age cohorts, seniors who were renters had the highest incidence of Core Housing Need in the Edmonton CMA in 2006.

The data in Table A13 in Appendix A breaks down the renter households in core need by age and household type. The data shows that in terms of absolute numbers, non-family households had the highest number of households in need, with families coming in a close second. As well, there were quite a few renters aged 45-64 in need as well as a many lone parent families in the 30 - 44 year age group.

It is important to examine the types of households who are in core need. Graph 16 shows that lone parent family renter households between the ages of 15-29 had the highest incidence of need (60%) among family households and single-person seniors’ households have the highest incidence (50%) among non-family households in the Edmonton CMA. This is critically important information to know when making funding allocation decisions and searching for appropriate solutions to address the gaps in need.
The results and trends are similar to the findings and discussion on the 2011 National Household Survey on housing need from the previous discussion. In fact, core need does not change very much between census takings. Once the core need data is available for the capital sub-region municipalities, a detailed review and analysis of the data may be undertaken to determine whether there are differences between the Sub-Region and the Capital Region as a whole.

3.2.3 SUMMARY AND CONCLUSION

While the NHS data is useful, it does not have the inputs required to disaggregate the Core Housing Need data (unable to determine an income threshold). However, the NHS data does show some similar trends and:

- Single person households (including seniors) and lone parent families have the highest incidence of need among all households;
- In terms of incidence by age, the highest are:
  - Singles under the age of 25;
  - Lone parent families between 25 and 54, and;
  - Household heads aged 75+ (2/3’s single person households)

It is recommended that the CRB:

“Adopt CMHC’s Core Housing Need as the standard data source for measuring housing need, starting with an order for the 2011 Core Housing Need”.

Graph 16: Incidence of Renter Core Need by age and Household Type, Edmonton CMA 2006
The data will be available to order in the fall of 2014. In the interim, the 50% measure of affordability for renters will be used to assess current housing needs for the Sub-Region.

### 3.3 EXISTING RESOURCES TO MEET THE EXISTING HOUSING NEED

Traditionally, the provision of Non-Market Housing has been the preferred way governments and communities have used to address housing needs. Most Non-Market Housing is provided in the form of new housing units, although another effective method has been through rental supplements, or housing allowances which piggy-back on existing rental units to improve affordability of existing housing.

It is important to understand the different types of Non-Market Housing that already exists within the Sub-Region. As mentioned earlier, Heartland Housing Foundation manages and operates a variety of housing programs and buildings for an area covering Strathcona County and Fort Saskatchewan. Heartland Housing Foundation portfolio provides a variety of affordable housing options that include Seniors Supportive Living - Lodge Accommodation, Seniors Apartments, Affordable Housing, Subsidized Housing and Rental Supplements in designated apartments or directly to a tenant in their existing accommodation. The housing portfolio includes 907 units in 12 buildings and 188 rental supplements in numerous locations throughout the Sub-Region. A detailed breakdown of the housing portfolio by program is provided in Table 5 below.

<table>
<thead>
<tr>
<th>Type of Housing/Program</th>
<th>Sub-Region</th>
<th></th>
<th>CRB</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number</td>
<td>%</td>
<td>Number</td>
<td>%</td>
</tr>
<tr>
<td>Emergency Shelters</td>
<td>35</td>
<td>3%</td>
<td>924</td>
<td>3%</td>
</tr>
<tr>
<td>Interim Accommodation</td>
<td></td>
<td></td>
<td>1,107</td>
<td>4%</td>
</tr>
<tr>
<td>Permanent Supportive Housing</td>
<td>238</td>
<td>38%</td>
<td>3,868</td>
<td>14%</td>
</tr>
<tr>
<td>Supported (homeless) Housing</td>
<td>17%</td>
<td></td>
<td>1,614</td>
<td>6%</td>
</tr>
<tr>
<td>Non Profit Housing</td>
<td>192</td>
<td></td>
<td>265</td>
<td>1%</td>
</tr>
<tr>
<td>Community Housing</td>
<td></td>
<td></td>
<td>4,256</td>
<td>15%</td>
</tr>
<tr>
<td>Seniors’ Self- Contained Housing</td>
<td>158</td>
<td>3%</td>
<td>4,720</td>
<td>17%</td>
</tr>
<tr>
<td>Rent Supplements</td>
<td>35</td>
<td>11%</td>
<td>5,643</td>
<td>20%</td>
</tr>
<tr>
<td>Affordable Housing</td>
<td>129</td>
<td>10%</td>
<td>3,867</td>
<td>14%</td>
</tr>
<tr>
<td>Co-op Housing</td>
<td>110</td>
<td>1%</td>
<td>1,456</td>
<td>5%</td>
</tr>
<tr>
<td>Secondary Suites</td>
<td>10</td>
<td>2%</td>
<td>215</td>
<td>1%</td>
</tr>
<tr>
<td>Total</td>
<td>907</td>
<td>100%</td>
<td>27,935</td>
<td>100%</td>
</tr>
</tbody>
</table>

Source: Heartland Housing Board
As a proportion of all housing in the Sub-Region, the Non Market Housing Portfolio represents 2.24% (907/40,460) of the total housing stock in the sub-region.

In terms of overall share, the Sub-Region has 907 Non Market Housing units or 3.25% (907/27,935) of the CRB Non Market Housing Portfolio. This is significantly lower than the Capital Region, which represents 6.2% of the total housing stock (27,935/451910) and is also much lower than the national average, which approximates 5% of all housing.

This is partly because until recently, most of the Non-Market Housing delivery in the Sub-Region was mainly for seniors, while assistance for other client types (families and singles) was concentrated in Edmonton.

When it comes to assessing and prioritizing the existing households in need, it is important to factor into the equation who (household type) who is being by the existing portfolio. As shown in Table 6, 20% of the portfolio is for families, which is much lower than the Capital Region at 47%. However, 58% of the units are for seniors compared to 29% for the Region. Housing for singles represents 22% of the portfolio compared to 24% for the Region.

The emphasis on seniors housing is understandable, given that the management bodies prior to Heartland Housing focussed almost entirely on seniors housing. While it would appear that family housing is under-represented compared to the Capital Region overall, the specific housing needs of the sub-region must be analyzed before the alignment of the portfolio with housing needs can be determined. It is noted however, that the earlier review identified a much higher representation of families in this sub-region, so the low provision of options for lower income families suggests an underserved population.

<table>
<thead>
<tr>
<th>Geography/Clientele</th>
<th>Families</th>
<th>Singles</th>
<th>Seniors</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>HHs</td>
<td>HHs</td>
<td>HHs</td>
<td></td>
</tr>
<tr>
<td>Sub-Region</td>
<td>180</td>
<td>202</td>
<td>525</td>
<td>907</td>
</tr>
<tr>
<td>CRB</td>
<td>13,144</td>
<td>6,687</td>
<td>8,104</td>
<td>27,935</td>
</tr>
</tbody>
</table>

Source: Strathcona Foundation

When it comes to prioritizing need and identifying gaps, there are two main questions that should be answered regarding the existing Non Market Housing Portfolio:

1. What level of service is it providing overall and by client group compared to the overall Region?
2. Relative to the profile of the sub-region, is there a shortfall/surplus with the existing portfolio of Non-Market Housing and the supply of Market Affordable Housing? By how many units?
Is the current balance in terms of clientele appropriate? The only way to know is to look at the breakdown of who is in need by household type. The following table provides an overview of the NMH portfolio and the number of households in need by client group for the Sub-Region. Combined, they make up the number households that require financial assistance.

Table 8: Non-Market Housing (NMH) Portfolio and Core Housing Need, 2011

<table>
<thead>
<tr>
<th>Geography</th>
<th>Families</th>
<th></th>
<th>Singles</th>
<th></th>
<th>Seniors</th>
<th></th>
<th>Total</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>HHs</td>
<td>%</td>
<td>HHs</td>
<td>%</td>
<td>HHs</td>
<td>%</td>
<td>HHs</td>
<td>%</td>
</tr>
<tr>
<td>NMH Portfolio (1)</td>
<td>180</td>
<td>20%</td>
<td>202</td>
<td>22%</td>
<td>525</td>
<td>58%</td>
<td>907</td>
<td>100%</td>
</tr>
<tr>
<td>HHs in Need</td>
<td>755</td>
<td>37%</td>
<td>705</td>
<td>35%</td>
<td>475</td>
<td>23%</td>
<td>2,035</td>
<td>100%</td>
</tr>
<tr>
<td>Total (2)</td>
<td>935</td>
<td>32%</td>
<td>907</td>
<td>31%</td>
<td>1,000</td>
<td>34%</td>
<td>2,942</td>
<td>100%</td>
</tr>
<tr>
<td>Service Level (1/2)</td>
<td>19%</td>
<td></td>
<td>22%</td>
<td></td>
<td>53%</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

It would appear from the data that families and non-elderly singles are under-served in terms of the percentage of the portfolio allocated to them in comparison to their share of housing need. Conversely, seniors’ housing accounts for over half of the portfolio, yet they only account for 23% of the households in need.

Table 9: Market Affordable Housing Demand and Supply

<table>
<thead>
<tr>
<th></th>
<th>Families</th>
<th></th>
<th>Singles</th>
<th></th>
<th>Total</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Demand</td>
<td>3,081</td>
<td></td>
<td>1,852</td>
<td></td>
<td>4,933</td>
<td></td>
</tr>
<tr>
<td>Supply</td>
<td>8,385</td>
<td></td>
<td>1,556</td>
<td></td>
<td>9,941</td>
<td></td>
</tr>
</tbody>
</table>

In the case of Market Affordable Housing, there is a significant surplus of housing for families and a shortage of housing for single person households. The surplus is somewhat theoretical because households with higher incomes (and lower to some extent) can also access this housing. But the data does show that there is a need for more rental housing for non-family (single) households, especially those with lower incomes.

3.4 IMPACT OF THE MARKET AND ON-GOING DEVELOPMENT ON NON-MARKET HOUSING NEED AND MARKET AFFORDABLE DEMAND

Now that we have a profile of the types of households and dwelling units that currently exist, including some of the gaps in terms of dwelling types, tenure and affordability, it is important to examine how well the market has been responding in the recent past. While new construction has much less influence on changing the profile of a larger city like Edmonton, the Sub-Regions surrounding Edmonton are much more influenced because they are smaller and therefore are impacted more by new development. This is one of the reasons why the Sub-Region has relatively newer housing stock.

What we really want to determine in this section is how recent developments have impacted housing needs in terms of the magnitude and nature of the need. And whether new construction is
perpetuating the dominant more expensive single family stock, or is it creating a newer more diverse set of options?

### 3.4.1 Trends in Rent Distribution

The custom tabulation from the 2011 National Household Survey combines with data from the 2001 and 2006 Census reveal how historic rental rates and income distributions have changed over the past decade. This provides a more complete picture than CMHC rent data alone can provide (CMHC rental survey covers only part of the rental market).

Graph 17 shows change to the distribution of rental rates from 2001 through 2011 for the Sub-Region.

The following trends can be observed:

1. A general erosion of rental units priced below $800/month, especially between 2006 and 2011;
2. A significant increase in the number of rental units priced above $1,000/month (reflecting additions, as well as a shift in rents of existing units)
3. An even greater increase in the number of rental units (over 1,700 units) priced above $1,500/month, especially from 2006 and 2011.

Overall, median rental rates increased from $731/month to $1,261/month over the 10 years, an increase of 73%.

Similar trends can be observed in the Capital Region (see Graph 18) with some nuances:

1. The reduction in lower cost units under $600/month in rent diminished more quickly from 2001 to 2006;
2. Rental units in the $700 - $900/month expanded between 2001 and 2006;
3. There was also a big jump in rental units (over 19,000 units) priced above $1,500 - $2,000/month from 2006 to 2011. This to a degree reflects new growth from investor owned rented condominiums.

Overall, median rental rates increased from $596/month to $1,026/month over the 10 years, an increase of 72%. It should be noted that this large increase in rents reflects the strong influence of high rent new units, especially rented condominiums. This is different from the trends in existing rentals, which is captured in the CMHC survey. However it is clear that two trends prevail:

- The number of affordable, lower rent options is declining (even as low income populations grow); and
Almost all growth is at the higher rent end of the market, which may respond to general demand, but does not help low-modest income individuals or families.

The data in Graph 19 shows the gains and losses in the rental stock (units) by rental rate range from 2001 - 06 and 2006 - 11. It is fairly obvious that the losses were in the lower cost units and the gains were in the higher cost units, especially units with rental rates in the $1,500 - $2,000/month.

On a brighter note, renter households appear to have reaped some of the gains from growing economy - there was a decline in the number of lower income renters.

3.4.2 Trends in Housing Starts

Housing starts are the best indicator of new (construction) housing supply. It is helpful to understand recent trends in the types of housing and levels of construction to see what is being produced and whether it had an impact (reducing or exacerbating) on the number of households in need. To what extent are recent construction types helping to respond to emerging shifts in requirements or new trends? This dataset tracks new housing construction and distinguished built form, single family dwellings, row housing, apartments etc., as well as whether at the time of construction dwellings were built (intended) as ownership or rental.

3.4.2.1 Activity Levels
Reviewing housing starts activity across the Sub-Region over the past eight years highlights several trends:

- Reflecting Alberta and Canada-wide trends, new construction levels plunged after real estate prices peaked in early 2007 and the global financial crisis in 2008 exacerbated the slowdown;
- The trend in housing starts bottomed out in 2008/9 but has been climbing since. Activity levels from 2010 through 2013 have been strong and consistent, and;
- Single detached housing construction dominated the market over the time period, accounting for over 58% of total housing starts (not this is lower than current share of single-detached dwellings in Strathcona);
- Multi-family starts peaked at 52% of the market in 2008. They have since fallen, but not to pre-2008 levels. Multi-family starts represented 47% of the market in 2013, suggesting some market response to demand for alternate dwelling options.

While there has been a noticeable improvement in terms of producing more multi-family housing, actions need to be taken to ensure that more options and choices of housing continue to be built in the Sub-Region. And more important, that prices levels include those more accessible to moderate income consumers. Detailed housing starts by type are contained in Table A14. The highlights and trends in housing starts by type of dwelling are clearly displayed in Graph 20.

3.4.2.2 Activity by Intended Market

The CMHC data set also tracks the intended use of the building (rental versus ownership) at the time of construction. This information is important in terms of knowing the intentions of multi-unit developers in particular, especially since the construction of purpose-built rental building virtually disappeared across the country several decades ago.
The data contained in Table A14 is for the same 8 year time period. Some highlights include the following:

- Condominium construction activity was fairly strong in 2006-07, experienced a slump in 2008/09, and made a bit of a come-back. In the last couple of years, the condo market has been less active than previous years in the Sub-Region. They may be a result of the strong demand for single detached housing from family households.

- The really noticeable development from viewing Graph 14 is the number of rental starts in 2013 - the highest in the last 8 years and maybe longer. This was likely a result of the Affordable Housing Program and temporary CEAP (economic stimulus) funding.

- The result is a dominance of homeownership product in new construction activity. While this is a response by builders to a perceived demand, this dominance in the marketplace could result in a mismatch between housing provision, demand and need.

The trends in housing starts by type of dwelling are displayed in Graph 21.

The apparent shortage of rental housing has been exacerbated by the lack of construction of both condominium and rental construction. That said, some of the condominium development does become rental as owner investors offers these units in the rental market. This is becoming a significant, although more expensive, form of “rental” supply.
3.4.3 Trends in Rent Levels and House Prices

Statistics from CMHC’s Rental Market Survey are used to examine trends in rental rates since 2006. This differs from the preceding review in that it focuses only on the purpose built rental stock (structures of 3+units, built specifically as rental). This represents roughly half of all renter occupied dwellings. The price/rent is examined from two angles - overall (average market rates) and for newly-constructed only, so that the impact of new construction can be isolated and more accurately portrayed in terms of effects on affordability.

3.4.3.1 CMHC Average Rental Rates

Average rents for all sizes of units rose by 61% from 2006 through 2013 (See Table 9 below). This compares with about 40% overall for the CRB. The biggest increases were for 1- bedroom (76%), followed by 2-bedroom units (61%) in the Sub-Region. In the capital region, 3-bedroom units experienced the biggest increase in rental rates (43%), followed by 2-bedroom units at 41%. This level of increase is fairly strong, especially given the increasing number of households who have been able to become homeowners due strictly to low mortgage interest rates. It also reflects a rental market where demand outstrips supply, making it possible for landlords to increase rental rates. Table 10 provides the average rental rates for privately owned rental building containing 3+ units by dwelling type for 2006 and 2013. Annual rental rates can be found in Table A16 in Appendix A.

<table>
<thead>
<tr>
<th>Average Apt. Rental Rates $</th>
<th>Sub-Region</th>
<th>CRB</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2006</td>
<td>2013</td>
</tr>
<tr>
<td>Bachelor</td>
<td>495</td>
<td>742</td>
</tr>
<tr>
<td>One-bedroom</td>
<td>555</td>
<td>978</td>
</tr>
<tr>
<td>Two-bedroom</td>
<td>702</td>
<td>1,131</td>
</tr>
<tr>
<td>3+ bedroom</td>
<td>713</td>
<td>1,107</td>
</tr>
<tr>
<td>Average</td>
<td>671</td>
<td>1,082</td>
</tr>
</tbody>
</table>

CMHC Rental Market Survey, 2011 and 2013

3.4.3.2 CMHC Rental Rates for Newly-Constructed Units.

New rental units receive a premium in most housing markets, especially when vacancy rates are low. Data from the CMHC rental survey for the Sub-Region shows that rental rates for newly constructed units (excluding non-market housing units) are on average about 20% higher than the market average. As such they contribute to overall rental supply, but are not adding to the supply of affordable housing.
Graphs 20 shows the premium on all units constructed since 2000 compared to the overall market. The trend is fairly consistent between the Sub-Region and the Capital Region, although the rate spread is a little wider across the capital region as a whole.

The other rather important observation is the lack of new bachelor and 3+ bedroom rental units since 2000 is fairly obvious. Unless there is a concerted effort to build more of these units, it could prevent single person households from moving to the Strathcona area and force new renters from the Strathcona-Region to move away. As well, young families who cannot afford ownership may not be able to live in the sub-region due to a lack of suitable, affordable housing.

3.4.3.3 House Prices

The Edmonton Real Estate Board’s Multi Listing Service (MLS) databank was used to generate custom reports on median sales prices and the number of listings by dwelling type (single, semi/row and condominium and other) from 2006 to 2013. The median sales prices by dwelling type and year are included in Table A17.

Analysis of the data confirms that the median house price, based on the sale of existing homes, is comparable to the Capital Region as a whole. It would appear from the data on median prices that the Sub-Region has no real price advantage over the rest of the Capital Region. Median sales prices have edged up in those communities at a faster pace than the Capital Region as a whole. As of 2013, there was a difference of less than 3% between the two geographies. It should be noted that average and median sales prices do not take into account the size, amenities and location of the sold properties, which can have a significant impact on the sales price and skew the average and median prices.

3.4.4 Summary

House prices and rents increased at a faster pace than inflation during the past 10 years. Median rents increased by 73% between 2001 and 2011, resulting in a significant decline in availability of affordable rental housing = lower priced rent stock declined by nearly 1,000 homes.

Housing starts in recent years have been dominated by detached homes, although ownership options have been augmented by condominiums, which account for most of the multi-unit starts and have significantly higher rental rates. Very few rental housing units have been constructed, averaging less than 10% (700) of all housing starts since 2000. However, no purpose-built bachelor, 1-bedroom and 3-
bedroom rental units have been constructed since 2000 (some 1-bedroom units were completed in 2013). This low level of purpose-built rental housing construction combined with an already low level of rental housing inventory has created a significant shortage of rental housing across the housing Continuum.

In conclusion, it would appear that some progress was made in the 2006-08 period and then the normal trends in construction - single-detached houses for ownership - continued until recently. Efforts to encourage more variety in built form and opportunities for rental situations (e.g. secondary suites) will be required for the Sub-Region to have an inclusive and sustainable community.
4. THE FUTURE HOUSING MARKET

4.1 THE HOUSING CONTINUUM DEMAND AND SUPPLY GAPS AND MISMATCH

The assessment has used the concept of a housing continuum to illustrate the range of dwelling types by tenure and price range relative to the housing requirements of the population, based on income and norm of paying 30% for shelter. The continuum is quantified using the distribution of actual rents, home prices and incomes in the sub-region to graphically illustrate gaps in housing supply. The segments of the continuum are determined as a percentage of the average family income across the CRB (using the census metropolitan area, CMA). These cover 4 distinct segments: two non-market reflecting traditional social (rent geared to income) housing and more recent “affordable” (as under the Affordable Housing Initiative), as well as market affordable (based on incomes up to area average) and general market which is affordable to those with incomes above the average, which for Edmonton (CMA, 2011) was $85,000. Separate graphs for singles and families are included in Appendix C, but for the report the continuum for all households is reviewed and discussed.

Graph 23: Quantifying Key Elements of the Continuum for All Households

The Sub-Region housing continuum shows:

- **Non-Market Social** (0 - $42,500 Household income). There is a shortage of owned housing or rental units priced or renting at levels affordable to households with incomes up to $42,500. Compared the number of households in the sub-region there is a shortage of approximating 3,000 dwellings.

- **Non-Market Affordable** ($42,500 - $63,750 household income). There is a small “surplus supply” of about 130 dwellings. However, those in the previous Non-Market Social housing range unable to find housing there are forced to occupy higher rent units in this price range, and the next, and pay
well over 30% of household income. So some additional supply of rental housing is also required in this intermediate segment.

- **Market Affordable** ($63,750 - $85,000 household income). Based on being able and willing to pay 30% of income for shelter, there is a theoretical surplus (5,400+) of homes, both for rent and for sale, in this income and price band. However, as noted above there is some overflow of lower income households from the lower income bands who live in this price range, simply because there is a lack of supply in the lower more affordable range.

- **Full Market** ($85,000+ household income). There are more homes existing in this price range than there are households with incomes above $85,000 (100% of the CMA average income). This is because some households have found lower priced homes and pay less than 30% of their income. The chart clearly reveals that there is a plentiful supply of dwellings (including to buy and to rent) in higher price ranges – and these are augmented by new construction as most new homes are priced to incomes above the average. It also shows that this is not the part of the continuum or market where the need and demand is greatest.

The 3,000 shortfall in the first segment (non-market social) applies almost exclusively to rental units in the lower rent ranges (<$749/month). The need is mainly from non-family renter households earning less than $29,750 (1,822 unit deficit), but also from family households earning less than $42,500 (987 unit deficit). As affordability is the main problem, it would seem that small bachelor and one-bedroom apartments and some larger 3 and 4 bedroom units are the solution.

While there are more households with incomes above $85,000 than housing available in the range they can afford, the surplus of units that are available for middle income households can also be access by higher income households. The main issue in the Sub-Region is the shortage of rental housing overall, creating a competitive aspect to finding rental housing in the Sub-Region. The result is upward pressure on rents. The impact is greatest for the lower income households (less than $42,400), the majority (2/3’s) of which are single-person households.

### 4.2 RENTAL MARKET SUPPLY AND AFFORDABILITY BY INCOME BAND

Renters are identified with a higher incidence of housing need. In part this reflects the typically lower incomes among renters and thus more affordability issues. This assessment is a further exploration of the continuum, but focusing only on rental options. As in the continuum, it converts incomes into equivalent rents, using the 30% shelter to income criteria and then seeks to create income groups that at their boundaries align with rent groups.

Using 2011 census (NHS) data it is possible to examine the relative distribution of incomes versus rents. Based on the norm of spending no more than 30% for rent, and based on the number of households in each income band, estimates of the number of rental units required in each rent or income band can be derived. Comparing this theoretical requirement against the existing range of rents that exists (again from 2011 NHS data) provides a way to identify the gap of mismatch between what renters in the area...
can afford and what they are currently paying. It also reveals the extent to which there is a shortfall in the number of lower rent units in the area.

Graph 24 reveals how many family and single person renters there are in each affordable rent (derived from their income, and converting to an equivalent rent at 30% of income) and then compared to the number of rental units available (dotted line).

Graph 24 shows that there is a significant shortfall in the number of rental units in lower rent ranges (<$749/month). As mentioned earlier, the need is mainly from non-family renter households earning less than $29,750. As affordability is the main problem, it would seem that small bachelor and one-bedroom apartments and some larger 3 and 4 bedroom units are the solution.

There is a surplus of units in the mid to high rent range (i.e. $750 - $2,000/month). The large demand for households who can afford to pay over $2,000 is theoretical (it is derived from income data – and shows what households in higher income could afford). But most of them actually occupy lower rent units (in the $1,500-$2,000 range and pay much less than 30%). These higher income renter households may be enabling landlords to raise their rates across the board, creating a kind of trickle-up effect, putting more households in affordability need that should be the case.

It would appear from the data that many of the higher rent properties are single detached dwelling and may at some point be for sale and would be removed from the rental inventory. This re-enforces the need for three and four bedroom housing units for lower income families, many of whom are lone-parent households.
4.3 GAPS IN COMMUNITY AMENITIES AND SUPPORT SERVICES

The information contained in this section is qualitative in nature and is not intended to be an assessment of community amenities and support services. Quantifying the need for various levels of supportive services requires a much broader set of measures and data, and is beyond the scope of a Housing Need Assessment. However, the information from the meeting of stakeholders provides a qualitative assessment of the community amenity and support service issues that exist within the Sub-Region. A detailed listing of community amenities and support services is included in Appendix D.

A summary of the discussion of issues and gaps is also included in Appendix D for information. Rather than go into a detailed discussion of each gap, a general assessment of the overall level of supports that exist within the Sub-Region and the impact they have on addressing the non-market housing needs.

The main gap that was identified was transportation. Public transportation is a major concern in the Strathcona Region. Sherwood Park is the only community with regular transit service to Edmonton. Fort Saskatchewan has bus service to Edmonton, but it is only available during morning and evening peak hours for the workforce and student populations. There are also transportation services available for persons with disabilities and some seniors’ facilities have mini-buses, but both services are limited in terms of availability. Otherwise, private automobile and taxi services (includes options such as Driving Miss Daisy) are the only other options for anyone living in the Sub-Region.

Due to its important in terms of regional priorities and growth, transportation and housing are most effectively delivered when they are coordinated regionally. The transportation links to Edmonton are critical to the future growth of the region. Better public transit and disabled transit services are required to ensure that the region continues to be an inclusive community with opportunities for everyone to thrive in their daily living. Any future non-market housing should take the current transportation challenges into consideration when determining the type and location of any future non-market housing projects in the Strathcona Region.

Besides transportation, the main issue is that there is very little available in the way of a network of supports. In most instances, services are accessed through a sort of “intake” service at the local level. Anything beyond a basic level of support (e.g. counselling, advisory services, etc.) must be accessed through a facility or service located in Edmonton. And then transportation becomes the priority issue. And many of the non-market housing tenants require transportation services that are flexible enough to enable services like dialysis that can take the better part of a day to receive.

Many of the services required by non-market housing clientele are not specialized and could be delivered locally. In many instances, there may even be cost savings, albeit small, and improved service and enhanced quality of life by allowing people requiring support to remain in their communities.

The really good example of locally provided support is home care. Whether this is because the home care is valued as a cost-effective method of saving health care dollars by keeping seniors in their homes longer is not known. There are many other individuals in the Sub-Region that have needs that cannot be met locally at this time.
There are a couple of really good examples of services that are being provided successfully and effectively in the sub-region. The Robinhood Association provides a variety of programs and services for children and adults, including numerous residential housing options to approximately 200 adults, with disabilities. They currently operate 40 group homes and 20 support homes in Sub-Region. As well, the Strathcona Shelter Society operates an emergency shelter with in-house supports and outreach services to ensure that the women and children are provided with the supports they need to transition out to a new living environment.

There is a need for supportive housing (whether it is in-house or a wraparound service model) for other special needs groups as well. The two examples demonstrate that services can provided regional that appear to working well and providing much needed services for local residents. Other gaps that were identified include respite care, affordable day care, outpatient mental health supportive housing, independent living for youth, more affordable housing options for senior’s, more spaces for seniors with higher levels of care, sustainable funding for support services, and inpatient mental health facilities.

Implications:

There is a component of the households in need who required certain community amenities and support services in close proximity to non-market housing. In other instances such as group homes, a full-time care provider may be required 24/7 to make the arrangement work. Unless these services are made available locally, it will not be feasible to provide housing for certain special needs households in the Sub-Region. Edmonton may be the only option.

There is a need to examine the service delivery models being used in the capital region. In other instances such as daycare, the gap could be addressed through increased subsidies for lower-income families.

4.4 FUTURE HOUSING REQUIREMENTS – NEED AND DEMAND 2015 - 2021

The final consideration is how housing requirements and needs change over time. This draws on population and household projections developed for the CRB. The method used to generate the projections used historic fertility, mortality and household formation rates within each sub-region and then aggregated these up to the CRB level. The population projections also include the number of households by age cohort resulting from the growth. Because such projections rely on a range of assumptions they are typically developed to generate high and low estimates. The high projection is used to estimate the number of housing requirements resulting from population and employment growth, breaking out Non-Market and Market Affordable Housing need and demand.

Total Housing Requirements
Total household growth under a low and high estimate for the aggregate CRB was examined to assess the implications for future growth in housing requirements. This revealed that across the region, household growth over the next seven years (2015-2021) is anticipated to average between 10,200-12,800 households per year. In terms of the Sub-Region, and given historic household formation patterns, this translates into between 919 – 1,310 households on average per year, depending upon the scenario used. See Table 14 for the annual growth under high and low scenarios and Tables A18 and A19 for detailed housing requirements and needs by age cohort for the Sub-Region and the CRB.

<table>
<thead>
<tr>
<th>Table 14: Annual Housing Requirements, Sub-Region, 2015 - 2021</th>
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<tbody>
<tr>
<td>--------</td>
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<tr>
<td>LOW GROWTH SCENARIO</td>
</tr>
<tr>
<td>Total</td>
</tr>
<tr>
<td>Difference New Units</td>
</tr>
<tr>
<td>HIGH GROWTH SCENARIO</td>
</tr>
<tr>
<td>Total</td>
</tr>
<tr>
<td>Difference New Units</td>
</tr>
</tbody>
</table>

Source: CRB Population Projections

The emphasis in terms of new construction must be on building higher density forms of housing, with a real effort to encourage the construction of rental housing.

Non-Market Housing Need

The incidence of affordability need discussed earlier from the 2006 Core Need estimates for Edmonton CMA (see section on Core Housing Need) was applied to the projected housing requirements to determine the number of households in need. However, because the population projections only include age cohorts with no estimate of tenure or household type, the projections are of limited value. However, it does provide a broad indicator of the volume of overall growth and potential volume of increased need.

It is recommended that sub-regions do not need to separately determine growth in need. They can simply take a per capital share of the overall value. This should be set as a minimum target for production of new affordable and supportive housing in order that the current backlog of need is capped and does not grow further.

The Sub-Region has about 9% of the households across the CRB. However, given that it is a Priority Growth Area (PGA), a 12% share was applied to the CRB household projections to determine future household requirements. The CRB population projections estimate that the number of households in need to be 1,123 to 1,407 per year for the Capital Region. At the Sub-Regional level, using the 12% share method, the number of households in need would grow (high scenario) by 173 households annually. The growth in need by year and age cohort is shown in Table 14 below.
Table 15: Annual Growth of Households in Need, High Growth Scenario

<table>
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<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>15-24</td>
<td>-9</td>
<td>-8</td>
<td>-5</td>
<td>-2</td>
<td>0</td>
<td>2</td>
<td>3</td>
<td>-3</td>
<td>-2%</td>
</tr>
<tr>
<td>25-44</td>
<td>72</td>
<td>66</td>
<td>67</td>
<td>60</td>
<td>58</td>
<td>54</td>
<td>48</td>
<td>61</td>
<td>35%</td>
</tr>
<tr>
<td>45-64</td>
<td>39</td>
<td>40</td>
<td>33</td>
<td>31</td>
<td>26</td>
<td>24</td>
<td>26</td>
<td>31</td>
<td>18%</td>
</tr>
<tr>
<td>65+</td>
<td>65</td>
<td>71</td>
<td>73</td>
<td>80</td>
<td>92</td>
<td>98</td>
<td>104</td>
<td>83</td>
<td>48%</td>
</tr>
<tr>
<td>All Ages</td>
<td>167</td>
<td>169</td>
<td>168</td>
<td>170</td>
<td>176</td>
<td>178</td>
<td>181</td>
<td>173</td>
<td>100%</td>
</tr>
</tbody>
</table>

The three noticeable trends in terms of the growth of future households in need by age are:

- The number of households in the 15-24 year age cohort declines by an average of 2 households annually over the 7 year period;
- The number of households in the 25 – 64 age cohort declines as a share of the total over the 7 years. However, due to its size, this age cohort increases by 70 households every year on average, although even the number of households is declining every year;
- The number of seniors in need increases dramatically over the 7 years, both in terms of relative share and absolute numbers, resulting in an average of 62 households or almost half of the number in need.

The annual trend in the growth of households in need by age is very noticeable in Graph 25.

![Graph 25: Projected Annual Growth of Households in Need, by Age, 2015 - 2021](image)

While not insignificant, growth of 173 households in need each year (7-year average) is a low number compared to the scale of outstanding need - 945 households paying more than 50% of their income for housing. As mentioned above, this should be set as a minimum target for production of new Non-Market Housing in order that the current backlog of need is capped and does not grow further.

**Market Affordable Housing Demand**

The existing supply of Market Affordable Housing far exceeds the demand - 10,296 units compared to 4,888 households (See Graph 23). All of the excess supply is single detached housing intended for
ownership, but there is demand for higher density, smaller units that rent for a reasonable rate, specifically for single person households.

In terms of share of the overall market, the number of households currently in the Market Affordable Housing income range represents 20% of all households (See Graph 23). If we apply this to the household projections for the Sub-Region, the demand is for about 281 units annually over the next 7 years (see Table 16).

Table 16: Market Affordable Housing Demand, 2015 - 2021

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Housing Requirements</td>
<td>1,296</td>
<td>1,311</td>
<td>1,337</td>
<td>1,320</td>
<td>1,319</td>
<td>1,307</td>
<td>1,280</td>
<td>1,310</td>
</tr>
<tr>
<td>Market Affordable Housing Demand</td>
<td>259</td>
<td>262</td>
<td>267</td>
<td>264</td>
<td>264</td>
<td>261</td>
<td>256</td>
<td>262</td>
</tr>
</tbody>
</table>

However, due to the large surplus of 5,000 market affordable inventory, it will be several years before new units are required to accommodate growth. That said, there is still a shortage of rental housing. The current supply does not match the need and demand.

4.5 EXISTING AND FUTURE HOUSING REQUIREMENTS - NEED AND DEMAND

The total housing needs and requirements are a culmination of existing housing needs and future housing requirements resulting from population growth. The existing housing needs are based on the number of households paying 50% or more of their income. While the existing households are delineated by household type – families, lone parent families, singles and seniors – future needs are determined by age group in accordance with the methodology used to project population and household growth. Existing housing needs by household type for the Sub-Region are summarized in Table 17.

Table 17: Existing Housing Needs for the Leduc Sub-Region

<table>
<thead>
<tr>
<th>Household Type</th>
<th>Number of Households in Need</th>
<th>Share of Need</th>
</tr>
</thead>
<tbody>
<tr>
<td>Families</td>
<td>215</td>
<td>23%</td>
</tr>
<tr>
<td>Lone Parent Families</td>
<td>180</td>
<td>19%</td>
</tr>
<tr>
<td>Singles</td>
<td>330</td>
<td>35%</td>
</tr>
<tr>
<td>Seniors</td>
<td>220</td>
<td>23%</td>
</tr>
<tr>
<td>Total</td>
<td>945</td>
<td></td>
</tr>
</tbody>
</table>

Existing housing needs and future (annual) housing requirements and needs for the low and high scenarios are contained in Table 17.

Table 17: Existing and Future (Annual Average) Housing Requirements, 2015 - 2021
Some thought should be given to establishing a policy that would enable the CRB to allocate/re-allocate resources to any sub-region to address emergency high priority needs. This could apply to a range of issues from purchasing land to facilitate development to an unexpected immediate need for housing. This would enable the CRB to act strategically where it is in the best interests of the capital region.

The 2009 Capital Region Housing Plan identified an imbalance of housing resources compared to need across the region. Specifically, the issue was that Edmonton had a much higher proportion of the non-market housing units compared to its needs within the capital region. A funding allocation policy would enable more resources to flow to those sub-regions who need to address the existing backlog of housing need and move toward a re-balancing of the non-market portfolio across the capital region.

### 4.6 CONCLUSION

While the housing supply is sufficient to meet overall housing requirements (number of units matches the number of households), there is a shortage of about 3,000 units at the lower end of the income scale (less than 60% of median income). The shortfall applies almost exclusively to rental housing and comes mainly from non-family renter households earning less than $29,750 (1,822 unit deficit), but also from family households (mainly lone-parents) earning less than $42,500 (987 unit deficit).

There is a component of the households in need who require certain community amenities and support services in close proximity to their housing. In most cases, the required services are only available in Edmonton. Unless these services are made available locally, it is not be feasible to provide housing for certain special needs households in the Sub-Region. There is a need to examine the service delivery models being used in the Capital Region. In other instances such as daycare, the gap could be addressed through increased subsidies for lower-income families.

The Sub-Region will require about 1300 new housing units every year to keep up with demand from population growth. In addition to the 945 households currently in need, another 171 new Non-Market Housing units will be required to meet the growth in households in need. The trend in new households in need is toward households aged 65+. The need for seniors housing will continue to grow in terms of the proportion of households in need. This will include housing options from independent living to long term care.

<table>
<thead>
<tr>
<th>Location</th>
<th>Existing Needs (i.e. paying 50%+)</th>
<th>Future Housing Needs and Requirements</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>CRB</td>
<td>HH Growth</td>
</tr>
<tr>
<td></td>
<td>27,990</td>
<td>12,791</td>
</tr>
<tr>
<td>Sub-Region</td>
<td>945</td>
<td>1,310</td>
</tr>
</tbody>
</table>

Note: The Market Affordable demand of 262 housing per year is
5. PULLING THE EVIDENCE TOGETHER

The following section will consolidate insights and findings in the preceding analysis and identify gaps and implications and some potential policy and program options. The intent is not to develop policy and program responses to address the need. The results of the needs assessment are the foundation upon which to build an action plan to address the needs and gaps identified through the assessment.

5.1 HOUSING MARKET SUPPLY AND DEMAND

The housing market in the Sub-Region can be described as one where the housing stock is relatively new and predominantly single detached dwellings. The tenure is highly skewed toward homeownership (88%), with relatively few traditional rental opportunities available. The housing stock is in relatively good condition compared to the Capital Region - about 1/3 less of the housing stock requires major repairs.

The household composition is predominantly families (80%) with a relatively small portion of single person households - 18% including seniors. The proportion of household maintainers under the age of 39 is smaller than the Capital Region, while the largest age group (36%) is between 30 and 59 years old, which reflect the family oriented homeowner nature of the Sub-Region. The existing homeowners are aging and becoming seniors and their proportion of the total will continue to accelerate in the coming years. About 75% of households in need are non-seniors and among them, single person households and lone-parent family households make up a significant portion.

The median income for households in the Sub-Region is 35% higher compared to the Capital Region - $106,811 vs. $79,090. The median home value in the Sub-Region was $401,067 or 15% higher than the Region. Rental housing is in short supply and also more expensive (about 17% higher) than the Region. This is partly because most of the purpose-built rental housing is relatively new and therefore commands a premium rent. It also reflects the fact that 40% of renters live in single-detached dwellings. More than 35% of renters paid more than $1,500 for rent in 2011 compared to 15% in the Capital Region.

Median rents increased by 73% between 2001 and 2011, resulting in a significant loss of nearly 1,000 units of affordable rental housing. Over 500 units were built over the 10 years, but most had rents above $900/month. However, no purpose-built bachelor, 1-bedroom and 3-bedroom rental units have been constructed since 2000 (some 1-bedroom units were completed in 2013). This has created a significant shortage of rental housing across the housing Continuum.

Identifying the Supply Mismatch

The assessment has used the concept of a housing continuum to illustrate the range of dwelling types by tenure and price range relative to the housing requirements of the population, based on income and norm of paying 30% for shelter. The continuum is quantified using the distribution of actual rents,
home prices and incomes in the sub-region to graphically illustrate gaps in housing supply. The body of
the report presents separate charts for singles and families, because they require different dwelling
types; the summary chart below combines all households.

**How Much Housing Is Available For Different Income Groups**

<table>
<thead>
<tr>
<th>Income Band</th>
<th>Units Existing (rent/priced in range)</th>
<th>Total Households in range</th>
<th>Shortage or Surplus of units</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-Market Social (0 - $42,500 Household income)</td>
<td>2,955</td>
<td>6,691</td>
<td>(3,138)</td>
</tr>
<tr>
<td>Non-Market Affordable ($42,500 - $63,750 household income)</td>
<td>4,311</td>
<td>4,197</td>
<td>134</td>
</tr>
<tr>
<td>Market Affordable ($63,750 - $85,000 household income)</td>
<td>10,206</td>
<td>4,888</td>
<td>5,408</td>
</tr>
<tr>
<td>&gt;100% of average income</td>
<td>22,461</td>
<td>24,860</td>
<td>(2,399)</td>
</tr>
</tbody>
</table>

The Sub-Region housing continuum shows:

- **Non-Market Social** ($0 - $42,500 Household income). There is a shortage of owned housing or
rental units priced or renting at levels affordable to households with incomes up to $42,500.
Compared the number of households in the sub-region there is a shortage of approximating 3,000
dwellings.

- **Non-Market Affordable** ($42,500 - $63,750 household income). There is a small “surplus supply”
of about 130 dwellings. However, those in the previous Non-Market Social housing range unable to
find housing there are forced to occupy higher rent units in this price range, and the next, and pay
well over 30% of household income. So some additional supply of rental housing is also required in
this intermediate segment.

- **Market Affordable** ($63,750 - $85,000 household income). Based on being able and willing to pay
30% of income for shelter, there is a theoretical surplus (5,400+) of homes, both for rent and for
sale, in this income and price band. However, as noted above there is some overflow of lower
income households from the lower income bands who live in this price range, simply because
there is a lack of supply in the lower more affordable range.

- **Full Market** ($85,000+ household income). There are more homes existing in this price range than
there are households with incomes above $85,000 (100% of the CMA average income) This is
because some households have found lower priced homes and pay less than 30% of their income.
The chart clearly reveals that there is a plentiful supply of dwellings (including to buy and to rent)
in higher price ranges – and these are augmented by new construction as most new homes are
priced to incomes above the average. It also shows that this is not the part of the continuum or market where the need and demand is greatest.

The 3,000 shortfall in the lowest income and affordability band applies almost exclusively to rental units in the lower rent ranges (<$749/month). The need is mainly from non-family renter households earning less than $29,750 (1,822 unit deficit), but also from family households earning less than $42,500 (987 unit deficit). As affordability is the main problem, it would seem that small bachelor and one-bedroom apartments and some larger 3 and 4 bedroom units are the solution.

### HOUSING MARKET SUPPLY AND DEMAND

<table>
<thead>
<tr>
<th>GAPS</th>
<th>IMPLICATIONS</th>
<th>POLICY/PROGRAM OPTIONS</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Overall surplus of housing, but a shortage of about 3,000 rental</td>
<td>• Young adults leaving home have few rental options they can afford;</td>
<td>• Reduce taxes for new rental housing</td>
</tr>
<tr>
<td>housing units consisting of small bachelor and one-bedroom units</td>
<td>• Aging seniors will place considerable demand on rental housing when they</td>
<td>• New rental housing tax credit (federal/provincial)</td>
</tr>
<tr>
<td>for single person (including seniors) households and 3-bedroom</td>
<td>sell their homes;</td>
<td>• New capital grants for new rental housing</td>
</tr>
<tr>
<td>units for families. Specifcally, there is a shortage of housing</td>
<td>• The shortage of rental housing and demand from high income earners</td>
<td>• Reduce development charges</td>
</tr>
<tr>
<td>for:</td>
<td>inflates rental rates;</td>
<td>• Adopt Inclusionary housing policy</td>
</tr>
<tr>
<td>o All income categories of non-family households, especially for</td>
<td>• Need to promote higher density forms of housing across the Sub-Region.</td>
<td>• Prevent condo conversion</td>
</tr>
<tr>
<td>those earning less than $29,750, resulting in a deficit of nearly 2,</td>
<td></td>
<td>• Allow/promote secondary suites.</td>
</tr>
<tr>
<td>000 units, and;</td>
<td></td>
<td></td>
</tr>
<tr>
<td>o The lower income category of family households, especially those</td>
<td></td>
<td></td>
</tr>
<tr>
<td>earning less than $1,063/month, resulting in a deficit of 1,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>units.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>o All forms of housing other than single detached.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
5.2 NON-MARKET HOUSING NEED (EXISTING)

The incidence of dwellings in poor condition and experiencing over-crowding is low. Housing problems are predominantly related to affordability and impact mainly renters (reflecting lower incomes and thus greater risk of affordability challenges). About 1/3 of renters in the Sub-Region pay over 30% and about 14% pay over 50% for rent.

There are 945 households who paid more than 50% of their income for housing. Lone parent families had the highest incidence of need at 30% and non-family households had a 25% incidence of need. The breakdown of housing units by household type is shown below:

### NON-MARKET HOUSING NEED - SOCIAL AND AFFORDABLE

<table>
<thead>
<tr>
<th>Household Type</th>
<th>HHs in Need</th>
<th>Affordability 50%+</th>
</tr>
</thead>
<tbody>
<tr>
<td>Family W/O Children</td>
<td>75</td>
<td></td>
</tr>
<tr>
<td>Family W Children</td>
<td>110</td>
<td></td>
</tr>
<tr>
<td>Lone-Parent-Family</td>
<td>180</td>
<td></td>
</tr>
<tr>
<td>Other (MF)</td>
<td>60</td>
<td></td>
</tr>
<tr>
<td>Non-Family</td>
<td>520</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>945</strong></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Household Type</th>
<th>HHs in Need</th>
<th>Affordability 30% - 50%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Family W/O Children</td>
<td>120</td>
<td></td>
</tr>
<tr>
<td>Family W Children</td>
<td>210</td>
<td></td>
</tr>
<tr>
<td>Lone-Parent-Family</td>
<td>165</td>
<td></td>
</tr>
<tr>
<td>Other (MF)</td>
<td>35</td>
<td></td>
</tr>
<tr>
<td>Non-Family</td>
<td>560</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1,090</strong></td>
<td></td>
</tr>
</tbody>
</table>

The backlog of households in need is extensive
- Lone-parent families had the highest incidence of need at both the 30% and 50% levels;
- Singles had the second highest incidence of need at both the 30% and 50%.

### IMPLICATIONS
- The limited availability of smaller apartment options as well as few lower-rent properties contribute to affordability (and to a smaller extent to suitability) problems by inflating rents;
- Single person households (including seniors) in need of Non-Market Housing may be forced to leave the Sub-Region to find housing they can afford;
- The 945 renter households paying more than 50% of their income for housing require deep subsidies to address their needs.
- The 1,090 renters paying between 30% and 50%

### POLICY/PROGRAM OPTIONS
- Substantial capital and on-going operating subsidies to construct and operate Non-Market (Social) Housing;
- Non-Market (Affordable) Housing gap requires one-time capital grants;
- Both types of housing would also benefit from:
  - Reduce/eliminate taxes for new rental housing;
  - New rental housing tax credit (fed/provincial);
  - Reduce/eliminate development charges;
  - Adopt inclusionary housing policy;
  - Provide rent supplements for families renting existing housing (over-supply of single detached housing);
  - Purpose built rental options are required for seniors across the spectrum of needs.

---

8 Included in the 2,035 households paying more than 30% of their income for housing are 475 seniors, of which 335 are 75+ years of age.
5.3 MARKET AFFORDABLE HOUSING DEMAND (EXISTING)

The existing supply of Market Affordable Housing far exceeds the demand - 10,296 units compared to 4,888 households (See Graph 23). All of the excess supply is single detached housing intended for ownership, but there is demand for higher density, smaller units that rent for a reasonable rate, specifically for single person households. The demand from new growth is about 281 units annually over the next 7 years (see Table 16). However, due to the large surplus of 5,000 market affordable inventory, it will be several year before new units are required to accommodate growth. That said, there is still a shortage of rental housing. The current supply does not match the need and demand.

### MARKET AFFORDABLE HOUSING DEMAND

<table>
<thead>
<tr>
<th>GAPS</th>
<th>IMPLICATIONS</th>
<th>POLICY/PROGRAM OPTIONS</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Shortage of smaller bachelor and one-bedroom rental units for single person (including seniors) households</td>
<td>• Young adults leaving home have few rental options they can afford;</td>
<td>• Reduce taxes for new rental housing;</td>
</tr>
<tr>
<td></td>
<td>• Aging independent seniors will place considerable demand on rental housing when they sell their homes</td>
<td>• Introduce a rental housing tax credit;</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Reduce/reimburse development charges;</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Adopt an Inclusionary housing policy;</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Prevent condo conversion;</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Encourage secondary suites;</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Encourage and support plans that conform to higher density developments Adopt alternative development standards and regulations;</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Adopt alternative development standards and regulations;</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Facilitate the development approval process;</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Appoint a Housing Facilitator to fast track affordable housing applications;</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Improve coordination between civic departments;</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Integrate planning between municipal departments;</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Introduce a tax moratorium;</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Educate the public about the benefits of higher density development;</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Encourage innovative designs to improve affordability;</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Innovative construction techniques and materials that improve affordability;</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Sharing of best practices to support/facilitate knowledge transfer;</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Hold a competition to design and build an affordable housing project;</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Encourage infill and intensification to lower per unit land costs through higher density.</td>
</tr>
</tbody>
</table>
5.4 SUPPORT SERVICES

The information contained in this section is qualitative in nature and is not intended to be an assessment of community amenities and support services - a quantitative assessment requires a much broader set of measures and data and is beyond the scope of a Housing Need Assessment. Community amenities and support services located in the Sub-Region were reviewed by stakeholders and gaps were identified.

### COMMUNITY AMENITIES AND SUPPORT SERVICES

<table>
<thead>
<tr>
<th>GAPS</th>
<th>IMPLICATIONS</th>
<th>POLICY/PROGRAM OPTIONS</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Inadequate public transportation (including services for the disabled/elderly)</td>
<td>• Lower income households who requires supports and are without affordable transportation options may have to leave the Sub-Region</td>
<td>• There is a need to examine the service delivery models being used in the capital region. In some instances, the gaps can be reduced through subsidies (e.g. day care, PDD). In other cases, it may require a change in the delivery model used by public agencies such as Alberta Health Services.</td>
</tr>
<tr>
<td>• Anything beyond a basic level of support (e.g. in-take and assessment, counselling, etc.) must be accessed through a facility or service located in Edmonton</td>
<td>• Many of the services required by non-market housing clientele are not specialized and could be delivered locally. In many instances, there may even be cost savings and improved service and enhanced quality of life by allowing people requiring support to remain in their communities. The really good example of locally provided support is home care.</td>
<td></td>
</tr>
<tr>
<td>• There is a component of the households in need who required certain community amenities and support services in close proximity to non-market housing. In other instances such as group homes, a full-time care provider may be required 24/7 to make the arrangement work.</td>
<td>• Unless these services are made available locally, it will not be feasible to provide housing for certain special needs households in the Sub-Region. Edmonton may be the only option.</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
5.5 LOOKING FORWARD

The final consideration is how housing requirements/demand and needs change over time. This draws on population and household projections developed for the CRB. Future housing requirements, incorporating both Non-Market Housing need and Market Affordable Housing demand (annual) for the high scenario are as follows:

<table>
<thead>
<tr>
<th>Age Cohorts</th>
<th>Average 2015-21</th>
<th>Share of Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total Housing Requirements</td>
<td>Non Market</td>
</tr>
<tr>
<td>15-24</td>
<td>6</td>
<td>-3</td>
</tr>
<tr>
<td>25-44</td>
<td>468</td>
<td>61</td>
</tr>
<tr>
<td>45-64</td>
<td>322</td>
<td>31</td>
</tr>
<tr>
<td>65+</td>
<td>514</td>
<td>83</td>
</tr>
<tr>
<td>All Ages</td>
<td>1,310</td>
<td>173</td>
</tr>
</tbody>
</table>

Both existing and future housing requirements, needs and demand must be considered in the development of public policy and planning for Non-Market and Market Affordable Housing. The information on the housing market can be used in the development of long range planning (e.g. MDP’s) and land use policies to ensure that the entire housing market is balanced and functioning in an inclusive manner, as well as support initiatives to improve housing affordability (e.g. flexible zoning to support higher density), specifically Market Affordable Housing.

5.5.1 Implications and Policy and Program Responses

The implications for future need and demand is similar to the existing need and demand with one exception - the growth in senior households (nearly half of future needs) will place increasing pressure on all housing options from independent living to supportive housing. Policy and Program responses will have to consider ways to ensure that the production of seniors housing does not fall behind, both in terms of overall output (housing units) and affordability. Over the past 5 to 10 years, the majority of seniors housing has been constructed as pure market housing with some affordable units. The needs assessment for Sub-Region suggests that more Non-Market and Market Affordable housing will be required to keep up with the growth of the senior households.

It is recommended that Sub-Regions do not need to separately determine growth in the need for Non-Market and demand for Market Affordable Housing. Rather, they can simply take a per capital share of the overall value. This should be set as a minimum target for production of new Non-Market and Market Affordable Housing in order that the current backlog of need is capped and does not grow further.

Some thought should be given to establishing a CRB policy that would enable the CRB to allocate/re-allocate resources to any sub-region to address emergency high priority needs. This could apply to a
range of issues from purchasing land to facilitate development to an unexpected immediate need for housing. This would enable the CRB to act strategically where it is in the best interests of the capital region.

The fundamental CRB policy question that needs to be addressed as the basis of future regional housing planning efforts in the Capital Region is the extent to which the CRB wants its each of its Sub-Regions outside of Edmonton to become more “stand-alone”/socially self-sustaining by developing the full range of housing (e.g. rental housing, housing for lower-income, single-person households, housing for the homeless) and/or housing supports (e.g. public transit) in their areas to enable households of all life cycles and income groups and housing needs groups to remain living in those areas, and not be forced to move to Edmonton or elsewhere due to a lack of housing choice and opportunity in all CRB Sub-Regions.

The workshops for municipal decision-makers across the Capital Region will review how to use the Sub-Regional need assessments and the tool (HAT) to understand the housing market and system, but the focus will be using the assessment to identify appropriate and effective policy, program and investment responses.

5.5.2 Where To From Here....

The Capital Region Board wants to ensure that its municipalities support a diverse range of housing types and tenures that are available to all income levels. To achieve this, the CRB is promoting integrated and coordinated planning of Non-Market and Market Affordable Housing at the sub-regional scale. The Capital Region Board Housing Plan provides direction to develop a 10-year regional housing plan based on sub-regional planning targeted to address identified housing needs. As well, provincial funding and regional planning priorities should be guided by sub-regional planning efforts, which in turn, would benefit from the use of standardized planning and assessment tools.

Understanding local conditions and housing needs and demand is necessary for developing effective solutions. Now that the Sub-Region Housing Needs Assessment is complete, the next step in implementing the CRB Housing Plan is development of a Regional Planning Framework. This would incorporate both Non-Market and Market Affordable Housing and build upon the results of the need assessment. The result will be a Regional Housing Plan with a 10 year timeframe that incorporates changing trends and gaps in the existing supply of housing with future housing need and demand and directs the supply of Non-Market and Market Affordable Housing throughout the Capital Region.

The Regional Planning Framework should include development, delivery and evaluation of a Region Housing Plan. The framework should also define the parameters and contents of a sub-regional housing plan (e.g. planning and reporting formats, guidelines, funding targets, etc.), timing, coordination with the provincial planning process, collaboration with key housing and community stakeholders, annual action plans, monitoring, reporting and evaluation, etc.

The diagram below outlines the work completed, where we are today in the process and what else
need to be completed to develop and implement the regional planning approach outlined in the Capital Region Housing Plan.

5.6 RECOMMENDATIONS

1. Support the Sub-Regional Housing Need Assessment as the core analysis of housing need within the Sub-region.

2. Develop key planning steps to facilitate CRB and Sub-Region housing policy and program decisions including:
   a. Drafting housing need responses, policy considerations and planning options, at the Capital Region and Sub-region scale at the CRB Housing Needs Assessment Workshop, once all six Sub-region Housing Needs Assessments have been undertaken;
   b. Consulting on housing need program and policy responses with housing authorities specifically and the community in general;
   c. Develop action plans to address Non-Market and Market Affordable Housing.

3. Adopt CMHC’s Core Housing Need as the standard data source for measuring housing need, starting with an order for the 2011 Core Housing Need.

4. Annually update the CRB Housing Assessment Tool through the Housing Advisory Working Group or an alternate, updating key baseline data and reporting on Sub-region housing performance on an annual basis.
   a. Update income profiles by accessing federal Tax Filer data annually (custom order).
APPENDICES
Appendix A:

Tables
Table A1: Distribution of Dwellings by Type and Tenure, 2011

<table>
<thead>
<tr>
<th>Dwelling Types</th>
<th>Sub-Region</th>
<th>CRB</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Dwellings</td>
<td>%</td>
</tr>
<tr>
<td>Single-Detached</td>
<td>32,165</td>
<td>80%</td>
</tr>
<tr>
<td>Semi/Duplex</td>
<td>2,535</td>
<td>6%</td>
</tr>
<tr>
<td>Row</td>
<td>1,755</td>
<td>4%</td>
</tr>
<tr>
<td>Apartment</td>
<td>3,150</td>
<td>8%</td>
</tr>
<tr>
<td>Other/Moveable</td>
<td>840</td>
<td>2%</td>
</tr>
<tr>
<td>Total Dwellings</td>
<td>40,445</td>
<td>100%</td>
</tr>
</tbody>
</table>

Source: Statistics Canada, Canada Census, 2011

Table A2: Age of the Housing Stock (Estimated Year of Construction)

<table>
<thead>
<tr>
<th></th>
<th>Sub-Region</th>
<th>CRB</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Dwellings</td>
<td>Share (%)</td>
</tr>
<tr>
<td>Pre 1980</td>
<td>15,820</td>
<td>39%</td>
</tr>
<tr>
<td>1980 - 2000</td>
<td>12,360</td>
<td>31%</td>
</tr>
<tr>
<td>2001 – 2005</td>
<td>6,055</td>
<td>15%</td>
</tr>
<tr>
<td>2006 - 2011</td>
<td>6,240</td>
<td>15%</td>
</tr>
<tr>
<td>% Built since 2000</td>
<td></td>
<td>30%</td>
</tr>
</tbody>
</table>

Source: Statistics Canada, Canada Census, 2011

Table A3: Population by Age for the Sub-Region and the Capital Region, 2011

<table>
<thead>
<tr>
<th>Age Cohorts</th>
<th>Sub-Region</th>
<th>Capital Region</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Population</td>
<td>Share (%)</td>
</tr>
<tr>
<td>0-14</td>
<td>21,615</td>
<td>19%</td>
</tr>
<tr>
<td>15-19</td>
<td>8,205</td>
<td>7%</td>
</tr>
<tr>
<td>20-24</td>
<td>7,300</td>
<td>7%</td>
</tr>
<tr>
<td>25-34</td>
<td>13,355</td>
<td>12%</td>
</tr>
<tr>
<td>35-44</td>
<td>16,230</td>
<td>15%</td>
</tr>
<tr>
<td>45-54</td>
<td>18,690</td>
<td>17%</td>
</tr>
<tr>
<td>55-64</td>
<td>14,010</td>
<td>13%</td>
</tr>
<tr>
<td>65-74</td>
<td>7,540</td>
<td>7%</td>
</tr>
<tr>
<td>75+</td>
<td>4,640</td>
<td>4%</td>
</tr>
<tr>
<td>Total</td>
<td>111,585</td>
<td>100%</td>
</tr>
</tbody>
</table>

Source: Statistics Canada, Canada Census, 2011
### Table A4: Number of Households and Distribution by Type

<table>
<thead>
<tr>
<th>Type of Households</th>
<th>Sub-Region</th>
<th>CRB</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number</td>
<td>Distribution</td>
</tr>
<tr>
<td>Family Households</td>
<td>32,240</td>
<td>80%</td>
</tr>
<tr>
<td>Couple (no children)</td>
<td>12135</td>
<td>30%</td>
</tr>
<tr>
<td>Couple with children</td>
<td>14990</td>
<td>37%</td>
</tr>
<tr>
<td>Lone parent</td>
<td>2935</td>
<td>7%</td>
</tr>
<tr>
<td>1+ family</td>
<td>2280</td>
<td>6%</td>
</tr>
<tr>
<td>Single Households</td>
<td>8,120</td>
<td>20%</td>
</tr>
<tr>
<td>Singles</td>
<td>6825</td>
<td>17%</td>
</tr>
<tr>
<td>Unrelated persons 2+</td>
<td>1295</td>
<td>3%</td>
</tr>
</tbody>
</table>

Source: Statistics Canada, Canada Census, 2011

### Table A5: Distribution of Households by Size

<table>
<thead>
<tr>
<th>Household size</th>
<th>Sub-Region</th>
<th>CRB</th>
<th>Distribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>40,465</td>
<td>451,915</td>
<td>100%</td>
</tr>
<tr>
<td>1 person</td>
<td>6,820</td>
<td>116,280</td>
<td>17%</td>
</tr>
<tr>
<td>2 person</td>
<td>14,650</td>
<td>152,235</td>
<td>36%</td>
</tr>
<tr>
<td>3-4 person</td>
<td>15,120</td>
<td>143,060</td>
<td>37%</td>
</tr>
<tr>
<td>5+ person</td>
<td>3,875</td>
<td>40,340</td>
<td>10%</td>
</tr>
</tbody>
</table>

Source: Statistics Canada, Canada Census, 2011

### Table A6: Number of Households by Age of Maintainer

<table>
<thead>
<tr>
<th>Age of Household Maintainer</th>
<th>Sub-Region</th>
<th>CRB</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td># of HHs</td>
<td>Distribution</td>
</tr>
<tr>
<td>Under 25 years</td>
<td>1,005</td>
<td>3.8</td>
</tr>
<tr>
<td>25 to 29 years</td>
<td>2,395</td>
<td>8.6</td>
</tr>
<tr>
<td>30 to 34 years</td>
<td>3,065</td>
<td>10.6</td>
</tr>
<tr>
<td>35 to 39 years</td>
<td>4,230</td>
<td>10.2</td>
</tr>
<tr>
<td>40 to 44 years</td>
<td>4,295</td>
<td>10.2</td>
</tr>
<tr>
<td>45 to 49 years</td>
<td>5,155</td>
<td>11.5</td>
</tr>
<tr>
<td>50 to 54 years</td>
<td>5,320</td>
<td>11.0</td>
</tr>
<tr>
<td>55 to 59 years</td>
<td>4,130</td>
<td>10.0</td>
</tr>
<tr>
<td>60 to 64 years</td>
<td>3,580</td>
<td>7.8</td>
</tr>
<tr>
<td>65 to 69 years</td>
<td>2,660</td>
<td>5.2</td>
</tr>
<tr>
<td>70 to 74 years</td>
<td>1,845</td>
<td>3.9</td>
</tr>
<tr>
<td>75 years +</td>
<td>2,780</td>
<td>7.3</td>
</tr>
<tr>
<td>Total</td>
<td>40,460</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: Statistics Canada, Canada Census, 2011
Table A7: Distribution of Households by Income Range

<table>
<thead>
<tr>
<th>Income Range</th>
<th>Strathcona</th>
<th>CRB</th>
</tr>
</thead>
<tbody>
<tr>
<td># of HH</td>
<td>%</td>
<td># of HH</td>
</tr>
<tr>
<td>All</td>
<td>40,460</td>
<td>100%</td>
</tr>
<tr>
<td>&lt;20k</td>
<td>2,230</td>
<td>6%</td>
</tr>
<tr>
<td>20k-40k</td>
<td>3,455</td>
<td>9%</td>
</tr>
<tr>
<td>40k-60k</td>
<td>3,850</td>
<td>10%</td>
</tr>
<tr>
<td>60k-80k</td>
<td>4,660</td>
<td>12%</td>
</tr>
<tr>
<td>80k-100k</td>
<td>4,555</td>
<td>11%</td>
</tr>
<tr>
<td>100k+</td>
<td>21,710</td>
<td>54%</td>
</tr>
<tr>
<td>Median</td>
<td>$106,811</td>
<td></td>
</tr>
</tbody>
</table>

Source: Statistics Canada, Canada Census, 2011

Table A8: Number of Homeowners by the Value of Home

<table>
<thead>
<tr>
<th>Value of Home</th>
<th>Sub-Region</th>
<th>CRB</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Owners</td>
<td>%</td>
<td>Number of Owners</td>
</tr>
<tr>
<td>Total</td>
<td>35,095</td>
<td>100%</td>
</tr>
<tr>
<td>Under $200,000</td>
<td>1485</td>
<td>4%</td>
</tr>
<tr>
<td>$200,000 to $249,999</td>
<td>1035</td>
<td>3%</td>
</tr>
<tr>
<td>$250,000 to $299,999</td>
<td>1795</td>
<td>5%</td>
</tr>
<tr>
<td>$300,000 to $349,999</td>
<td>4375</td>
<td>12%</td>
</tr>
<tr>
<td>$350,000 to $399,999</td>
<td>6535</td>
<td>19%</td>
</tr>
<tr>
<td>$400,000 to $499,999</td>
<td>9130</td>
<td>26%</td>
</tr>
<tr>
<td>$500,000 to $749,999</td>
<td>8040</td>
<td>23%</td>
</tr>
<tr>
<td>$750,000 to $999,999</td>
<td>1735</td>
<td>5%</td>
</tr>
<tr>
<td>$1,000,000 or more</td>
<td>965</td>
<td>3%</td>
</tr>
<tr>
<td>Average value of dwelling</td>
<td>$451,467</td>
<td></td>
</tr>
<tr>
<td>Median value of dwelling</td>
<td>$401,067</td>
<td></td>
</tr>
</tbody>
</table>

Source: Statistics Canada, Canada Census, 2011

Table A9: Number of Renter Households by Rental Rate Range

<table>
<thead>
<tr>
<th>Rental Rate Range</th>
<th>Sub-Region</th>
<th>CRB</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Renters</td>
<td>%</td>
<td>Number of Renters</td>
</tr>
<tr>
<td>Total</td>
<td>4,945</td>
<td>100%</td>
</tr>
<tr>
<td>Less than $400</td>
<td>205</td>
<td>4%</td>
</tr>
<tr>
<td>$400 to $599</td>
<td>235</td>
<td>5%</td>
</tr>
<tr>
<td>$600 to $799</td>
<td>265</td>
<td>5%</td>
</tr>
<tr>
<td>$800 to $999</td>
<td>620</td>
<td>13%</td>
</tr>
<tr>
<td>$1,000 to $1,199</td>
<td>730</td>
<td>15%</td>
</tr>
<tr>
<td>$1,200 to $1,499</td>
<td>1,145</td>
<td>23%</td>
</tr>
<tr>
<td>$1,500 to $1,999</td>
<td>1,250</td>
<td>25%</td>
</tr>
<tr>
<td>$2,000 or more</td>
<td>505</td>
<td>10%</td>
</tr>
<tr>
<td>Average shelter costs</td>
<td>$1,319</td>
<td></td>
</tr>
<tr>
<td>Median shelter costs</td>
<td>$1,261</td>
<td></td>
</tr>
</tbody>
</table>

Source: Statistics Canada, Canada Census, 2011
### Table A10: Incidence of Need by Type of Household and Tenure, 2011

<table>
<thead>
<tr>
<th>Type of Need</th>
<th>All Households</th>
<th>Only Renter Households</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Type</td>
<td>SSR</td>
</tr>
<tr>
<td>Suitability</td>
<td>4%</td>
<td>6%</td>
</tr>
<tr>
<td>Adequacy</td>
<td>6%</td>
<td></td>
</tr>
<tr>
<td>Afford &gt;30</td>
<td>22%</td>
<td></td>
</tr>
<tr>
<td>Afford &gt;50</td>
<td>9%</td>
<td></td>
</tr>
</tbody>
</table>

Source: Statistics Canada

### Table A11: Renter Households Incidence of Need by Type of Need and Household Type

<table>
<thead>
<tr>
<th>Household Type</th>
<th>Type of Housing Need</th>
<th>Total</th>
<th>Suitability</th>
<th>Adequacy</th>
<th>Affordability 30</th>
<th>Affordability 50</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>SSR</td>
<td>CRB</td>
<td>SSR</td>
<td>CRB</td>
<td>SSR</td>
<td>CRB</td>
</tr>
<tr>
<td>Fam. W/O Children</td>
<td>835</td>
<td>19785</td>
<td>0</td>
<td>385</td>
<td>30</td>
<td>1510</td>
</tr>
<tr>
<td>Fam. W Children</td>
<td>1125</td>
<td>20940</td>
<td>75</td>
<td>4570</td>
<td>120</td>
<td>1880</td>
</tr>
<tr>
<td>Lone-Parent-Fam.</td>
<td>605</td>
<td>15340</td>
<td>80</td>
<td>3065</td>
<td>30</td>
<td>1885</td>
</tr>
<tr>
<td>Other (MF)</td>
<td>350</td>
<td>7875</td>
<td>65</td>
<td>2975</td>
<td>0</td>
<td>750</td>
</tr>
<tr>
<td>Non-Family</td>
<td>2050</td>
<td>68220</td>
<td>0</td>
<td>3630</td>
<td>95</td>
<td>5390</td>
</tr>
<tr>
<td>Total</td>
<td>4965</td>
<td>132160</td>
<td>220</td>
<td>14625</td>
<td>275</td>
<td>11415</td>
</tr>
</tbody>
</table>

Statistics Canada (2011 NHS)

### Table A12: Number of Household Maintainers in Core Housing Need by Age and Tenure, Edmonton CMA

<table>
<thead>
<tr>
<th>Tenure</th>
<th>Total Number of Households</th>
<th>Senior</th>
<th>Non-Senior</th>
<th>15-29 Years</th>
<th>30-44 Years</th>
<th>45-64 Years</th>
</tr>
</thead>
<tbody>
<tr>
<td>Household in Core housing need</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>41,220</td>
<td>10,575</td>
<td>30,640</td>
<td>7,110</td>
<td>11,835</td>
<td>11,700</td>
</tr>
<tr>
<td>Owners</td>
<td>12,470</td>
<td>3,455</td>
<td>9,010</td>
<td>835</td>
<td>3,785</td>
<td>4,395</td>
</tr>
<tr>
<td>Renters</td>
<td>28,750</td>
<td>7,120</td>
<td>21,625</td>
<td>6,275</td>
<td>8,055</td>
<td>7,305</td>
</tr>
<tr>
<td>Incidence of Core Housing Need</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>10.6%</td>
<td>15.1%</td>
<td>9.6%</td>
<td>12.9%</td>
<td>10.1%</td>
<td>7.9%</td>
</tr>
<tr>
<td>Owners</td>
<td>4.6%</td>
<td>6.7%</td>
<td>4.1%</td>
<td>3.8%</td>
<td>4.6%</td>
<td>3.7%</td>
</tr>
<tr>
<td>Renters</td>
<td>24.6%</td>
<td>39.4%</td>
<td>21.9%</td>
<td>18.8%</td>
<td>22.5%</td>
<td>24.7%</td>
</tr>
</tbody>
</table>

Source: CMHC, Core Housing Need Estimates, 2006
### Table A13: Renter Households by Type and Age in Core Need, Edmonton CMA, 2006

<table>
<thead>
<tr>
<th>Household Type</th>
<th>Age Groups</th>
<th>Total</th>
<th>Non-Senior</th>
<th>15 - 29</th>
<th>30 - 44</th>
<th>45 - 64</th>
<th>Senior</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Total</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>28,750</td>
<td>21625</td>
<td>6275</td>
<td>8055</td>
<td>7305</td>
<td>7120</td>
</tr>
<tr>
<td>Family</td>
<td></td>
<td>11,530</td>
<td>11110</td>
<td>3465</td>
<td>5185</td>
<td>2465</td>
<td>415</td>
</tr>
<tr>
<td>Couple</td>
<td></td>
<td>4,760</td>
<td>4670</td>
<td>1580</td>
<td>2045</td>
<td>1045</td>
<td>90</td>
</tr>
<tr>
<td>Lone Parent</td>
<td></td>
<td>6,640</td>
<td>6330</td>
<td>1835</td>
<td>3105</td>
<td>1385</td>
<td>315</td>
</tr>
<tr>
<td>Multi-Family</td>
<td></td>
<td>130</td>
<td>115</td>
<td>45</td>
<td>35</td>
<td>35</td>
<td>0</td>
</tr>
<tr>
<td>Non-family</td>
<td></td>
<td>17,220</td>
<td>10510</td>
<td>2805</td>
<td>2870</td>
<td>4840</td>
<td>6705</td>
</tr>
</tbody>
</table>

Source: CMHC, Core Housing Needs Estimates, 2006

### Table A14: Housing Starts by Type, Sub-Region, 2006 - 2013

<table>
<thead>
<tr>
<th>Housing Starts</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>1,123</td>
<td>1,509</td>
<td>773</td>
<td>525</td>
<td>1,041</td>
<td>952</td>
<td>828</td>
<td>916</td>
</tr>
<tr>
<td>Single-detached</td>
<td>931</td>
<td>1,111</td>
<td>303</td>
<td>372</td>
<td>643</td>
<td>539</td>
<td>588</td>
<td>547</td>
</tr>
<tr>
<td>Multiple</td>
<td>192</td>
<td>398</td>
<td>470</td>
<td>153</td>
<td>398</td>
<td>413</td>
<td>240</td>
<td>369</td>
</tr>
<tr>
<td>Semi-detached</td>
<td>128</td>
<td>138</td>
<td>86</td>
<td>82</td>
<td>72</td>
<td>108</td>
<td>170</td>
<td>130</td>
</tr>
<tr>
<td>Row</td>
<td>40</td>
<td>135</td>
<td>191</td>
<td>24</td>
<td>13</td>
<td>32</td>
<td>70</td>
<td>135</td>
</tr>
<tr>
<td>Apartment</td>
<td>24</td>
<td>125</td>
<td>193</td>
<td>47</td>
<td>313</td>
<td>273</td>
<td>0</td>
<td>104</td>
</tr>
<tr>
<td>Singles Share</td>
<td>82.0%</td>
<td>73.6%</td>
<td>39.2%</td>
<td>70.1%</td>
<td>61.8%</td>
<td>56.6%</td>
<td>71.0%</td>
<td>59.7%</td>
</tr>
<tr>
<td>Multiples Share</td>
<td>17.1%</td>
<td>26.4%</td>
<td>60.8%</td>
<td>29.1%</td>
<td>38.2%</td>
<td>43.4%</td>
<td>29.0%</td>
<td>40.3%</td>
</tr>
</tbody>
</table>

Source: CMHC

### Table A15: Housing Starts by Intended Market, 2006 - 2013

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>Change 06-10</th>
<th>Change 11-12</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>1,123</td>
<td>1,509</td>
<td>773</td>
<td>525</td>
<td>1,041</td>
<td>952</td>
<td>853</td>
<td>837</td>
<td>4,971</td>
<td>1,805</td>
</tr>
<tr>
<td>Homeownership - Freehold</td>
<td>1,051</td>
<td>1,225</td>
<td>355</td>
<td>450</td>
<td>704</td>
<td>651</td>
<td>787</td>
<td>787</td>
<td>3,785</td>
<td>1,438</td>
</tr>
<tr>
<td>Rental</td>
<td>28</td>
<td>28</td>
<td>39</td>
<td>47</td>
<td>148</td>
<td>193</td>
<td>33</td>
<td>25</td>
<td>290</td>
<td>226</td>
</tr>
<tr>
<td>Homeownership - Condominium</td>
<td>44</td>
<td>256</td>
<td>379</td>
<td>28</td>
<td>189</td>
<td>108</td>
<td>33</td>
<td>25</td>
<td>896</td>
<td>141</td>
</tr>
<tr>
<td>Other (co-op and unknown)</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

Source: CMHC
Table A16: Average Rental Rates, Sub-Region

<table>
<thead>
<tr>
<th>Average Price ($000s)</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bachelor</td>
<td>489</td>
<td>654</td>
<td>678</td>
<td>629</td>
<td>629</td>
<td>668</td>
<td>733</td>
<td>766</td>
<td>56.6%</td>
</tr>
<tr>
<td>One-bedroom</td>
<td>612</td>
<td>743</td>
<td>798</td>
<td>815</td>
<td>830</td>
<td>841</td>
<td>881</td>
<td>904</td>
<td>47.7%</td>
</tr>
<tr>
<td>Two-bedroom</td>
<td>762</td>
<td>890</td>
<td>949</td>
<td>949</td>
<td>1029</td>
<td>1089</td>
<td>1157</td>
<td>1157</td>
<td>51.8%</td>
</tr>
<tr>
<td>3+ bedroom</td>
<td>803</td>
<td>1007</td>
<td>1024</td>
<td>1085</td>
<td>1061</td>
<td>1065</td>
<td>1173</td>
<td>1274</td>
<td>58.7%</td>
</tr>
<tr>
<td>All</td>
<td>721</td>
<td>860</td>
<td>912</td>
<td>927</td>
<td>956</td>
<td>986</td>
<td>1049</td>
<td>1115</td>
<td>54.7%</td>
</tr>
</tbody>
</table>

Source: CMHC Rental Market Survey

Table A17: Median House Prices by Dwelling Type, 2006 – 2013

<table>
<thead>
<tr>
<th>Dwelling Type</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>MEDIAN SALES PRICE ($)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Detached</td>
<td>319,900</td>
<td>428,000</td>
<td>400,000</td>
<td>380,300</td>
<td>392,500</td>
<td>386,000</td>
<td>395,000</td>
<td>416,250</td>
<td>41.8%</td>
</tr>
<tr>
<td>Semi/row</td>
<td>223,486</td>
<td>331,950</td>
<td>317,450</td>
<td>286,000</td>
<td>299,700</td>
<td>292,000</td>
<td>295,000</td>
<td>306,750</td>
<td>39.1%</td>
</tr>
<tr>
<td>Condo</td>
<td>199,950</td>
<td>290,000</td>
<td>290,000</td>
<td>262,750</td>
<td>280,000</td>
<td>280,000</td>
<td>272,000</td>
<td>260,000</td>
<td>29.0%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Dwelling Type</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>NUMBER OF SALES</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Detached</td>
<td>1,072</td>
<td>1,025</td>
<td>1,161</td>
<td>1,242</td>
<td>1,042</td>
<td>1,164</td>
<td>1,295</td>
<td>1,362</td>
<td></td>
</tr>
<tr>
<td>Semi/row</td>
<td>56</td>
<td>68</td>
<td>56</td>
<td>95</td>
<td>60</td>
<td>105</td>
<td>135</td>
<td>150</td>
<td></td>
</tr>
<tr>
<td>Condo</td>
<td>176</td>
<td>240</td>
<td>229</td>
<td>340</td>
<td>240</td>
<td>252</td>
<td>284</td>
<td>347</td>
<td></td>
</tr>
</tbody>
</table>

Source: Edmonton Real Estate Board, MLS Sales
Table A18: Quantifying the Continuum for Families and Singles

<table>
<thead>
<tr>
<th>Average income (= base for benchmarks)</th>
<th>$85,000*</th>
<th>Non Market (Social)</th>
<th>Intermediate (Affordable)</th>
<th>Near Market</th>
<th>Full Market</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total (Income as % Benchmark =)</td>
<td></td>
<td>0 -50%</td>
<td>50 -80%</td>
<td>80% -100%</td>
<td>&gt;100%</td>
</tr>
<tr>
<td>Income benchmark</td>
<td>$42,500</td>
<td>$68,000</td>
<td>$85,000</td>
<td>&gt;$85,000</td>
<td></td>
</tr>
<tr>
<td>Max afford rent</td>
<td>$1,063</td>
<td>$1,700</td>
<td>$2,125</td>
<td>&gt;$2,125</td>
<td></td>
</tr>
<tr>
<td>Max afford buy</td>
<td>$191,970</td>
<td>$307,151</td>
<td>$383,939</td>
<td>&gt;$384,000</td>
<td></td>
</tr>
<tr>
<td>Rent units available</td>
<td>1,555</td>
<td>1,880</td>
<td>1,141</td>
<td>379</td>
<td></td>
</tr>
<tr>
<td>Homes priced in range</td>
<td>1,398</td>
<td>2,451</td>
<td>9,155</td>
<td>22,082</td>
<td></td>
</tr>
<tr>
<td>Total dwellings in range</td>
<td>2,953</td>
<td>4,331</td>
<td>10,296</td>
<td>22,461</td>
<td></td>
</tr>
<tr>
<td>Households in income range</td>
<td>6,091</td>
<td>4,197</td>
<td>4,888</td>
<td>24,860</td>
<td></td>
</tr>
<tr>
<td>Shortfall</td>
<td>(3,138)</td>
<td>134</td>
<td>5,408</td>
<td>(2,399)</td>
<td></td>
</tr>
</tbody>
</table>
Appendix B:

Glossary and Acronyms
Glossary and Acronyms

Affordable Housing Program
The Province of Alberta’s Affordable Housing Program provides one time capital grants for the construction/acquisition of rental housing units. Grant recipients are required to provide rents that are at least 10% below market. Units are targeted at households with incomes at or below CNITS. There are no operating subsidies for these units.

Canada Mortgage and Housing Corporation (CMHC)
CMHC is Canada’s national housing agency. Established as a government-owned corporation in 1946 to address Canada’s post-war housing shortage, the agency has grown into a major national institution. CMHC is Canada’s premier provider of mortgage loan insurance, mortgage-backed securities, housing policy and programs, and housing research.

Capital Region
Includes the lands lying within the boundaries of the participating municipalities of the Capital Region and include the following municipalities: Beaumont, Bon Accord, Bruderheim, Calmar, Devon, Edmonton, Fort Saskatchewan, Gibbons, Lamont, Lamont County, Leduc, Leduc County, Legal, Morinville, Parkland County, Redwater, St. Albert, Spruce Grove, Stony Plain, Strathcona County, Sturgeon County, Thorsby, Wabamun, and Warburg.

Capital Region Board
The Capital Region Board was established in 2008, under Capital Region Board Regulation 38/2012, under the Municipal Government Act. The Capital Region Board is a non-profit corporation comprised of 24 member municipalities from within the Region.

Co-Operative Housing (Co-Op)
Co-op housing is collectively owned and managed by its members (the people who live there). Co-op members actively participate in decision making and share the work involved in running the housing community. As a member of a co-op, you must volunteer and take part in the management of the building.

Community Amenities
Community amenities are generally capital facilities or improvements that are needed to service a growing population or create a more complete community (e.g. leisure centres, police buildings, cultural centres, libraries, parks, playgrounds, etc.). Some definitions also include natural amenities such as rivers, lakes, walking trails, etc. Other definitions include access to commercial amenities such as shopping centres, medical facilities, restaurants, etc.

Community Housing Program
The Province of Alberta’s Community Housing Program provides subsidized rental housing to low-income households who cannot afford private sector accommodation. Applicants whose income falls below CNITS are eligible to apply. Management and tenant selection is delegated to the local housing operators (usually a Management Body). Applicants are given priority based on need, as determined
by income, assets, and current housing condition. A tenant’s rent, which includes heat, water and sewer expenses, is based on 30 percent of a household’s adjusted income. The tenant is responsible for electricity, telephone and cable television, as well as any additional services they may request (i.e. parking). Operating deficits are cost-shared with Canada Mortgage and Housing Corporation. The units are owned by one of the orders of government.

**Core Housing Need**
A concept developed in the 1980’s to define housing need. It is based on a two-step assessment: First does a household experience any one or combination of housing problems covering suitability (crowding), adequacy (building condition) or affordability (paying greater than 30% for shelter). Secondly, is their income below a defined income threshold that varies by market/city and by household size?

**CMA**
Census Metropolitan Area

**CNITS (Core Need Income Thresholds)** - Local income limits are established each year by Canada Mortgage and Housing Corporation. Households with annual incomes equal to or less than CNIT are said to have insufficient income to afford the on-going costs of suitable and adequate rental units in their area. Incomes below this level may be eligible for various rental subsidy programs.

**Condominium (Condo)**
A form of tenure that creates title and ownership rights in virtual 3 dimensions, as opposed to land title. The term refers to a legal ownership structure and should not be confused with built form (i.e. an apartment that is owned may be a condo, but an apartment may also be rented).

**Diversification of Housing Types**
A range of housing types, including single-family dwellings, duplex, townhome, condominium and apartment types, mixed throughout neighborhoods to serve a broad range of residents of varied age and income.

**EREB**
The Edmonton Real Estate Board is an Association of realtors and provides data and statistics on home sales and prices in the Edmonton area.

**Garage Suites**
A garage suite is a self-contained dwelling located above a rear attached garage which is accessory to a single detached dwelling. It must have an entrance separate from the vehicle entrance, either from the interior or exterior of the structure and include cooking facilities, a bathroom and bedroom(s).

**Habitat for Humanity Homes** - Under this program housing units are built using cash and material donations as well as voluntary labour. When completed the units are sold to qualifying working low and moderate income households. The household is provided an interest free mortgage and the mortgage is amortized to 25% of the household’s income. When the recipient household decides to
sell the unit it is sold back to Habitat for Humanity and another qualifying household receives a place to live.

**HAT**
Housing Assessment Tool. The HAT is the tool developed for the Capital Region to assess housing need across all sub-regions.

**HICO**
Housing in Canada Online. A CMHC interactive data file providing historic data and core need estimates for a wide geography of cities and census areas.

**HIL**
Housing Income Limits (new label for former CNITs described above).

**Home Program** - The HOME Program helps low income people become homeowners, through education, financial assistance and one-on-one counselling. The education component is open to anyone interested in owning a home. Participants do not have to be first time buyers or low income buyers.

Low income buyers (below CNITS) who have completed both education sessions can apply for down payment assistance

**Housing Allowance**
A form of housing assistance to help household manage high shelter cost burden. Distinct from the rent Supplement, payments are made to the household, not to the landlord, and the HA is therefore portable. A HA may be structured to pay a fixed monthly allowance or can pay based on the RGI-market rent difference.

**Housing Continuum**
A conceptual framework used to describe a range of housing options from homeless supports through independent market rate housing.

**Incidence of Need**
The frequency (or incidence) of need refers to the tendency that a particular household will experience housing need. For example, if 60 lone-parent households out of 100 lone-parent households experience affordability problems, the incidence (or chance) of need among lone-parents is 60%. In the assessment, incidence refers to affordability need only.

**Inclusive Communities**
Inclusive communities have a variety of housing, commerce, recreational, institutional, social and public amenities within their boundary. Inclusive communities provide a physical and social environment where residents can live, learn, work and play without having to travel beyond the community boundary.
Infill Development
Development in the existing developed areas, occurring on vacant or underutilized lands, or re-development of a developed site to a higher density.

Intensification
The development of a property, site or area at a higher density than currently exists, e.g. redevelopment (including the reuse of Brownfield sites), development of vacant and/or underutilized lots, the conversion or expansion of existing buildings, and infill development, and may include Greenfield sites with development densities higher than historical norms.

Major Repairs Needed
Major Repairs Needed includes dwellings needing major repairs such as dwellings with defective plumbing or electrical wiring and dwellings needing structural repairs to walls, floors or ceilings.

Market Housing
Market Housing is defined as housing that is supplied by the private market, without direct government subsidies. Under Market Housing, one sub category has been further delineated:

Market Affordable Housing is defined as rental or ownership housing that is modest in form and specification and is capable of being produced for moderate income households without upfront or on-going direct government subsidies (e.g. through regulatory relaxations, efficient design, tax incentives, etc.). Generally applies to households earning moderate incomes between 100% and 150% of median income.

Minor Repairs Needed
Minor Repairs Needed includes dwellings needing only minor repairs such as dwellings with missing or loose floor tiles, bricks or shingles or defective steps, railing or siding.

Mixed-Income Development
A type of development that includes families at various income levels. Mixed-income developments are intended to promote de-concentration of poverty and give lower-income households access to improved amenities.

Mixed-Use Development
A development that mixes compatible residential, commercial, institutional and recreational land uses, and may do so within an area of land, and/or within buildings, in order to increase density, reduce development footprint through intensification of land use, and to improve public accessibility to the range of mixed land uses.

Multi-family Housing
A building constructed for residential purposes for use by two or more families, e.g. duplexes, townhome and row house development, multistory and high rise apartments.
NHS
National Household Survey (the replacement for the Statistics Canada long form census), administered in May 2011.

Non Market Housing
Non Market Housing is defined as housing that is operated and funded or created through direct government subsidies and includes different categories of housing based on the associated services needed by the clients. Non Market Housing is further segmented into the categories of “Affordable Housing” and “Subsidized Housing”:

**Affordable Housing** is rental or ownership housing that generally does not require on-going (operating) subsidies, and is both affordable and targeted for long-term occupancy to households with incomes between 100% and 80% of the median renter income for their household size;

**Social Housing** is primarily rental housing that requires on-going operating subsidies to make it affordable on a long-term basis to households with incomes that are generally between 80% and 65% or less of the median renter income for their household size⁹.

Other Non-profit
Non-profit organizations providing rental housing at rents below market rates who do not receive housing subsidies from government.

Provincial Private Non-profit Program
This program provides monthly subsidies to non-profit organizations to cover operating deficits, including a reserve allocation and the mortgage principal and interest payment based on eligible capital costs. Individuals who currently occupy a crowded or inadequate dwelling would be eligible for housing in these units owned by private non-profit groups. The operating deficits are cost-shared with Canada Mortgage and Housing Corporation. Rents are based on 30 percent of a household’s adjusted income.

RGI
Rent Geared to Income

Rent Supplement Program
A subsidy is provided to reduce the market rent for a household with income below CNITS. There are a variety of rent supplement programs, some providing subsidies directly to the landlord, others directly to the tenant. The subsidy can be a fixed rate or based on the income of the household. Typically these subsidies are funded by the province and administered by a Management Body

Rural and Native Housing Program

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⁹ “Non-Market Housing” also includes “Emergency Shelters”, “Transitional Housing” and “Supportive Housing”, and requires deeper capital and operating subsidies provided under government programs to enable affordability to households with considerably lower incomes or no incomes at all.
This Provincial Program funded the construction of a small number of housing units throughout Alberta. The units are now typically rented out by Management Bodies in the same manner as the Community Housing Program defined above.

Secondary Suites
A secondary suite is a separate and subordinate dwelling unit contained within a detached dwelling. A secondary suite must have a separate entrance from the entrance to the principal dwelling and include a cooking facility, bathroom and bedroom(s) that are separate from those of the principle dwelling.

Seniors Self-Contained Program
The Alberta Government provides apartment style accommodation to low and moderate income seniors who are functionally independent with or without assistance from existing community services. Rent, which includes water, heat and sewer expenses, is based on 30% of a household’s adjusted income. The Province owns most of the apartments funded under this program, and any operating deficits are fully funded by the Alberta Government. Household income must be below the CNIT’s to qualify for the program.

Emergency Shelters - Temporary places for people to live until more permanent housing is found. An emergency shelter is a place for people to live temporarily when they cannot live in their previous residence, similar to homeless shelters. The main difference is that an emergency shelter typically specializes in people fleeing a specific type of situation, such as natural or man-made disasters, domestic violence, or victims of sexual abuse. A more minor difference is that people staying in emergency shelters are more likely to stay all day, except for work, school, or errands, while homeless shelters usually expect people to stay elsewhere during the day, returning only to sleep or eat. Shelters sometimes facilitate support groups, and/or provide meals.

Special Needs Housing
Special needs housing is housing that has been modified with special features to help people to live independently in the community. For example, the unit may be adapted for wheelchair access.

Supportive Housing
Supportive housing offers support services onsite to assist tenants to live independently. For example, some providers will offer support for youth or people with substance abuse problems. Housing Connections does not maintain a list of supportive services available. Clients should contact housing providers directly.

Support Services
Housing support services have developed over a number of years as an imaginative response to a wide range of needs. Housing support services should help people to live independently in the community, regardless of their tenure. Having and keeping a stable place to live is essential for many vulnerable people who want to stay in their own home. A wide range of people with particular needs can receive housing support services, including homeless people, refugees, women escaping domestic violence, people with a chronic illness, people with a physical impairment or learning disability, seniors, ex-offenders, people with drug and alcohol related problems, and others who need support. They may
use these services when their accommodation is temporary (for example, in a crisis) or when they are being re-housed.

There is a wide range of supported accommodation models, including sheltered housing with 30 or 40 self-contained units of accommodation with on-site warden support, communal facilities and call systems; homeless hostels; group homes where people share accommodation supported by residential or visiting housing support workers; individual scattered or clustered dwellings with floating (flexible) support; and ‘wet houses’ for people with substance misuse problems. Housing support services can range from around one hour a week to 24-hour residential support.

**Supportive Living Lodge**

Supportive living settings operated under the *Alberta Housing Act (usually by a Management Body)*, which are designed to provide room and board for seniors who are functionally independent with or without the assistance of community-based services.
Appendix C:

THE HOUSING CONTINUUM DEMAND AND SUPPLY GAPS AND MISMATCH
As a concept a continuum can be a useful way to review the full range of housing options and assess both current supply and requirements (based on incomes and household demographics). The concept of a housing continuum has been widely adopted across Canadian municipalities as a way to set the broader context, as well as to help identify where gaps exist between need and demand versus supply. Figure 1 is extracted from the 2012 CRB report *Our Affordable Future*. It presents an overview of the housing continuum from homelessness thru to the full market response. This separates market and non-market aspects of the housing system and includes the important category of Market Affordable Housing referenced in the CRB Housing Mandate.  

![Figure 1: The Housing Continuum](image)

The non-market side (Figure 1, left side) of the Continuum includes various services that represent an add-on to housing (accommodation). They provide varying levels of support services reflecting the special needs of the sub-population. This includes Emergency Shelters (more a social service than housing per se) as well as various forms of housing which incorporate support services either in house (e.g. 24/7 supervision), or delivered separately via community social service agencies (e.g. home care).

The important element from the perspective of quantifying housing need and requirements is that the housing component (platform) to facilitate the delivery of such support services is available. In the main this speaks to requirements for subsidized or low rent options where low-income persons transitioning from homelessness or living with mental health challenges, or with restricted ability to perform activities of daily living can afford to live while receiving additional supports. While the CRB (Our Common Future) report does include an income related quantum based on percentage of median income, this was preliminary. It is possible to refine the income categories (as percentage of median or average income) more accurately using eligibility income thresholds for social/affordable housing. This can then be used to align each part of the continuum against the price/rent of housing availability. This does not need to be done for each sub-region, a CRB-wide benchmark is sufficient for developing the benchmarks in the continuum. However the existing requirements and availability in each sub-region should be determined with local data (i.e. how many units exist within each band of the continuum).

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10 **Fig 1**, extracted from the CRB “Our Affordable Future” uses reference income bands that vary from those used in this guide. As described below, these have been calculated as a way to quantify the continuum.
The standard measures used in Canada as eligibility for Social Housing, uses an income threshold called Housing Income Limits (HILs) derived from median market rents which are updated annually from CMHC rental survey. This determines the income required to afford the median rent at 30% of income. These are calculated by household size (number persons) and rounded to the nearest $1,000. HILs are calculated and applied at the CMA scale (i.e. not calculated at any sub-regional level).

Table 1C: Derived Proxy Housing Income Limits (HILs)

<table>
<thead>
<tr>
<th>Size</th>
<th>Rent (2011)</th>
<th>Derived HIL*</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Single – Bachelor</td>
<td>$713</td>
<td>$29,000</td>
</tr>
<tr>
<td>2 Person -One-bed</td>
<td>$857</td>
<td>$34,000</td>
</tr>
<tr>
<td>3 Person -Two-bed</td>
<td>$1034</td>
<td>$41,000</td>
</tr>
<tr>
<td>4 Person - Three bed</td>
<td>$1191</td>
<td>$48,000</td>
</tr>
</tbody>
</table>

* (e.g. 2 bed = #1,034 divided by 30% times 12 months = $41,360 rounded to $41,000

Because median rents are not readily available, a proxy is used here based on average rents. For consistency with the 2011 NHS and 2011 tax file data used in the later analysis, the following HILs are calculated against the Oct 2011 Edmonton (CMA) average rents. The same methodology can be used to update rents annually (most current rents are April 2014, although for consistency CMHC uses only the October data for each year). Separately income data is available either from the census NHS or from Tax filer data. The census data is available with tenure variables (owner vs. renters) but over time becomes out of date (note the 2011 NHS collected 2010 income).

Tax file data is available more frequently and provides an update, albeit with an 18-month time lag - 2012 data (filed in early 2013) will be available in Oct 2014. Unfortunately, the tax file source does not distinguish tenure, so only income for all households, regardless of tenure is available. This is not as useful for determining need (as it conflates owners and renters) but it is very useful as a basis for quantifying the incremental income thresholds used in the continuum.

The NHS reports median and average incomes (2010) for Edmonton (CMA) as $79,090 and $97,516 respectively. Tax filer data also for 2010 reports an average of $82,603 blended across all household types (it was much higher for 2 parent families and much lower for lone parents and singles). This had increased to $85,414 in 2011.

The overall average (or median) income for all households is too high to use as a threshold to assess non-market need. It is far in excess of the derived HILs presented in Table 30. A household with an income of $80,000 can afford a rent of $2,000 and a purchase price of $400,000, so this is not a measure of need.

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11 CMHC generates a data set of median rents based on units that include heat. Thus this tends to be slightly different from the published average rent data. Here the average rent is used to estimate HILs for purpose of quantifying the continuum.
In targeting programs in the US, their method uses 50-60% of area median family income. Separate analysis in Canada has found that 60% of median income roughly approximates the income calculated under the HIL method based on average rent for two-bed units. In our case, 50% of average 2011 income would translate to an income of $40,000 with affordable rent and price of roughly $1,000/month and $200,000 respectively.

Comparing the derived HILs (Table 30), which reflect the upper limit for eligibility for social housing, against the average 2011 income (tax data), it is clear that as a benchmark against median or average household income, the upper limits should be closer to 50% for families and 30-35% for non-family (mainly singles) for whom smaller units with lower rents are appropriate.

Table 2C: Edmonton (est.) 2011 HIL’s and Average Household Income

<table>
<thead>
<tr>
<th>Size</th>
<th>Annual Income</th>
<th>As % 2011 income (CMA)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Single – Bachelor</td>
<td>$29,000</td>
<td>34%</td>
</tr>
<tr>
<td>2 Person -One-bed</td>
<td>$34,000</td>
<td>40%</td>
</tr>
<tr>
<td>3 Person -Two-bed</td>
<td>$41,000</td>
<td>48%</td>
</tr>
<tr>
<td>4 Person - Three bed</td>
<td>$48,000</td>
<td>56%</td>
</tr>
</tbody>
</table>

Comparing these CMA HILs to the CMA regional median income the continuum can be quantified.

Table 3C: The Housing Continuum Income Ranges

<table>
<thead>
<tr>
<th>AVERAGE INCOME EDMONTON CMA 2011 (= BASE FOR BENCHMARKS)</th>
<th>$85,000*</th>
<th>Non Market (Social)</th>
<th>Non-Market (Affordable)</th>
<th>Market Affordable</th>
<th>Full Market</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single (Income as % Benchmark =)</td>
<td>0 - 35%</td>
<td>35 - 60%</td>
<td>60% -100%</td>
<td>&gt;100%</td>
<td></td>
</tr>
<tr>
<td>Family (Income as % Benchmark =)</td>
<td>0 - 50%</td>
<td>50 - 80%</td>
<td>80% -100%</td>
<td>&gt;100%</td>
<td></td>
</tr>
<tr>
<td>All Households (Incomes as % Benchmark =)</td>
<td>0 - 50%</td>
<td>50 - 75%</td>
<td>75% -100%</td>
<td>&gt;100%</td>
<td></td>
</tr>
</tbody>
</table>

* The median household income can be annually updated using tax file data

For the threshold income (e.g. 50% of average) the maximum affordable price and rent can be readily calculated (based on paying 30% of this income for rent or mortgage). These rent and price ranges can then be compared against the rent and price distribution in each jurisdiction as a way to identify gaps in the continuum.

A further refinement to the continuum is to include an intermediate market category as a transition between non-market and full market. Given the incomes and distribution of households (families and singles separately) the rent price that would be affordable to each income band can be readily calculated (based on paying max 30% and assuming some loan variables like interest rate, down
payment and amortization). This can then be compared against the existing rents and prices in the stock (at the specific geography of a sub-region or municipality) as well as against the rents and prices of recently constructed housing.

Unfortunately the census (NHS) data do not distinguish smaller units (bachelor/one-bedroom) for singles versus larger family sized units (2-3+ bedroom). However the National Household Survey custom data file obtained for this work provides reasonable proxies. For owners, the file provides dwelling values by structure type. Larger dwelling types (Single-detached, semi, row and mobiles) are assigned as “family” housing; apartments and attached units are assigned to “non-family” housing (singles). For renters the data files specifically include rent ranges with household type, so family and non-family can be readily extracted. Similarly the incomes of both family and non-family households are separately available. Counting the number of households within each income range developed in the continuum provides a way to quantify demand and to compare this with supply (availability by rent or price).

The results are included in Tables 4C and 5C and displayed in Graphs 1C and 2C, illustrating the continuum for singles and families. In each case the continuum shows a shortfall of housing options (either to rent or to buy) against the lower income need.

**Table 4C: Quantifying the Continuum for Single-Person Households**

<table>
<thead>
<tr>
<th>Average income (= base for benchmarks)</th>
<th>$85,000*</th>
<th>Non Market (Social)</th>
<th>Non Market (Affordable)</th>
<th>Market Affordable</th>
<th>Full Market</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single (Income as % Benchmark =)</td>
<td>0 -35%</td>
<td>35 - 60%</td>
<td>60 -100%</td>
<td>&gt;100%</td>
<td></td>
</tr>
<tr>
<td>Max Income benchmark</td>
<td>$29,750</td>
<td>$51,000</td>
<td>$85,000</td>
<td>&gt;$85,000</td>
<td></td>
</tr>
<tr>
<td>Max afford rent</td>
<td>$744</td>
<td>$1,275</td>
<td>$2,125</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Max afford buy</td>
<td>$134,379</td>
<td>$230,364</td>
<td>$383,939</td>
<td>&gt;$384,000</td>
<td></td>
</tr>
<tr>
<td>Rent units available</td>
<td>410</td>
<td>955</td>
<td>594</td>
<td>94</td>
<td></td>
</tr>
<tr>
<td>Homes priced in range</td>
<td>119</td>
<td>389</td>
<td>962</td>
<td>263</td>
<td></td>
</tr>
<tr>
<td>Total dwellings in range</td>
<td>530</td>
<td>1,345</td>
<td>1,556</td>
<td>357</td>
<td></td>
</tr>
<tr>
<td>Households in income range</td>
<td>2,352</td>
<td>2,578</td>
<td>1,852</td>
<td>2,266</td>
<td></td>
</tr>
<tr>
<td>Shortfall</td>
<td>410</td>
<td>955</td>
<td>594</td>
<td>94</td>
<td></td>
</tr>
</tbody>
</table>
Graph 1C: How Much Housing Is Available For Different Income Groups

Housing Availability and Requirements By Income Band - Single Person Households

Graph 1C indicates that in the case of singles, there are far more households in need in every range of the continuum. In fact, there is very little available for rent to single median income renter households, especially those earn 35% or less of median income ($29,750) - there are 410 rental units and 119 homes for 2,352 non-family households - a deficit of 1,822 units.

Table 4C shows there was a deficit of housing units for every range of the housing continuum for single person households. In the case of Market Housing, the deficit was 1,910 units. Higher income households can afford a larger unit, and are accordingly captured in the “available family dwellings”, so it is not really an issue. However this does point to the fact that housing options desired by singles, mainly rental housing, are very limited and in short supply.

Table 5C: Quantifying the Continuum for Family Households

<table>
<thead>
<tr>
<th>Average Income (= base for benchmarks</th>
<th>$85,000*</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Non Market (Social)</td>
</tr>
<tr>
<td>Family (Income as % Benchmark =)</td>
<td>0 -50%</td>
</tr>
<tr>
<td>Income benchmark</td>
<td>$42,500</td>
</tr>
<tr>
<td>Max afford rent</td>
<td>$1,063</td>
</tr>
<tr>
<td>Max afford buy</td>
<td>$191,970</td>
</tr>
<tr>
<td>Rent units available</td>
<td>537</td>
</tr>
<tr>
<td>Homes priced in range</td>
<td>1,150</td>
</tr>
<tr>
<td>Total dwellings in range</td>
<td>1,687</td>
</tr>
<tr>
<td>Households in income range</td>
<td>2,674</td>
</tr>
<tr>
<td>Shortfall</td>
<td>537</td>
</tr>
</tbody>
</table>
In the case of families (Graph 22 on the following page), there is a gap or shortage of 987 housing units for families earning less than 50% of the median income ($42,500). In the case of families earning between 50% and 100% ($42,500 to $85,000) of median income, there is a theoretical surplus of some 13,320 housing units, nearly all of which are ownership housing. Above 100% of median income (>85,000), there is a theoretical shortage of 9,088 units, all of which are for homeownership.

Overall, there is a sufficient supply of housing (mainly ownership) to accommodate all of the families, but very few rental options, which does restrict the ability of lower income families to live in the Sub-Region. Most of the ownership housing is priced below $384,000/unit, so it is very affordable for family households earning above $85,000 annually. This provides many families with affordable homeownership options.
Appendix D:
Community Amenities and Support Services
COMMUNITY AMENITIES AND SUPPORT SERVICES

3.2.1 Background
Community amenities and support services are important factors that should be considered during the development of sustainable solutions to address housing needs. Most people factor the amenities that a community has to offer into the decision on whether to locate there. Whether schools, parks and sports facilities or arts and cultural programs are more important depends entirely on the type and demographic profile of the household. In addition, many people, such as those with addictions, disabilities, mental health issues, family violence issues, the frail elderly and others, also require specific support services in order to function in their daily living. Some support programs provide life skills assistance, counselling and/or treatment programs, medical care, etc. that are accessed outside of the dwelling unit. Other support programs and services are provided to assist individuals who cannot live independently and require part or full time supervision. Services such as meals, home care, dental, pharmacy and many other services can be brought into to support the individual in their home. Others such as full time supervision, 7 days a week, are provided internal to the dwelling and require space to accommodate the support worker. In such instances, the provision of supports is critical to the successful operation of the housing and therefore, the funding and timing of both must be coordinated with construction and occupancy of the dwelling.

In the context of the housing needs assessment, our concern is with those households who are in need (lower income) and either currently being served or anticipated to be served by non-market housing in the next ten (10) years. In terms of the Housing Need Assessment Framework, a section has been added on community amenities and services specifically required by non-market households in the Sub-Region. It includes a summary of existing services and amenities and any perceived gaps in community and support services now and in the near future. The specifics in terms of service and actual costs, especially when it comes to medical care and other complex areas, can only be accurately determined at or near the time of building construction. The information provided through this process is of use, in conjunction with the housing needs assessment, during the planning process to:

- Help determine where in the Sub-Region a new housing facility or initiative should be located;
- Identify which stakeholder sectors need to be involved to ensure that the appropriate type and level of services are coordinated and funded with the additional non-market housing.

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12 Community amenities are generally capital facilities or improvements that are needed to service a growing population or create a more complete community (e.g. hospitals and medical facilities, service agencies such as meal programs or mental health supports, low cost public facilities such as libraries and community recreational centers', transit stops, schools and day cares, etc.)
2. Community Amenities and Support Services and Gaps – Fort Saskatchewan

A meeting of community stakeholders representing non-profit and local government agencies from Fort Saskatchewan was held on April 16, 2014 in Fort Saskatchewan. The purpose of the meeting was to review existing community amenities and services and identify any issues and gaps specifically required to support lower income residents of non-market housing.

The information contained in this report is qualitative in nature and is not intended to be an assessment of community amenities and support services. Quantifying the need for various levels of such supportive services requires a much broader set of measures and data, and is beyond the scope of a Housing Need Assessment. Alternatively, the information from the meeting of stakeholders will provide a qualitative assessment of the issues and gaps that exist in Fort Saskatchewan at this time.

5.3 Availability of Community Amenities and Support Services

The service directory InformAlberta\textsuperscript{13} was used to help identify the various headings and sub-headings of amenities and services provided in the Leduc area. InformAlberta follows the Alliance of Information and Referral Systems (AIRS) Infoline Taxonomy of Human Services\textsuperscript{14} classification system. The existing community amenities and support services headings from InformAlberta were used and are listed below:

- Basic Needs Programs
- Consumer Services
- Criminal Justice and Legal Services
- Education Programs
- Public Health/Safety Programs
- Health Care
- Income Support and Employment Programs
- Individual and Family Life Programs
- Mental Health Care and Substance Abuse Services
- Community Amenities and Services

Each heading includes a brief description (based on the material on the InformAlberta website) of the content and an overview of the community amenities and support services that are currently available across the sub-region.

\textsuperscript{13} InformAlberta is a provincial on-line directory of publicly funded and/or not-for-profit community, health, social, and government organizations and services.

\textsuperscript{14} Taxonomies are sophisticated tools that help people find the information they need. They are a type of a controlled vocabulary, a standardized set of terms and phrases that are used to index and retrieve information about a particular subject in a systematic, unambiguous way. The INFO LINE Taxonomy of Human Services has been endorsed by AIRS as the national standard for indexing human service resource files.
2.1.1 Basic Needs Programs provide survival level resources for individuals with low or fixed incomes, people who are homeless, older adults and/or people with disabilities who are otherwise unable to adequately provide for themselves and their families. Also included are some community-related services and amenities that are available to the community at large.

- **Food** | food vouchers (emergency FCSS) | Meals on Wheels (Seniors Lodge) | food bank (WECAN) | farmer’s market | U-pick | community gardens | school meal programs | meals for the homeless (Christmas dinners and other occasions) | school breakfasts program

- **Housing and Shelter** | temporary hotel accommodation for the homeless | help clients with rental supplements | secondary suites (municipality) | subsidized rental housing for seniors (Heartland Foundation) | People with developmental disabilities (Robin Hood Association) | subsidized home purchase (Habitat, HOME) | supportive housing for seniors (Heartland Foundation)

- **Material Goods** | clothing banks (Coats for Kids, second hand clothing store) | discount household and personal goods (hotels donating bedding)

- **Transportation Services** | return morning and after-work bus service from Fort Saskatchewan to Edmonton | pilot project offering local transit services | para-transit program service (Special Transportation Services Society owns 3 buses) | bus and taxi fare coverage available (FCSS and Alberta Works) to Edmonton

- **Utility Assistance** | emergency utility payments (Alberta Works)

2.1.2 Consumer Services provide for the education and protection of individuals who buy products and services for personal use, such as establishing and enforcing consumer protection legislation; providing information to help consumers manage their finances and make informed credit and purchasing decisions, etc.

- **Money Management** | Financial management workshops for immigrants

- **Educational Programs** | Outreach program for dropouts | literacy programs | remedial education | vocational education | Workshops for seniors (self defense)

1.1.3 Criminal Justice and Legal Services promote and preserve the conditions that enable community residents to live in a safe and peaceful environment.

- **Courts** | Court House

- **Law Enforcement Services** | Legal Aid Alberta | victim’s services (youth and adult intervention, victim impact statements) | family violence counsellor | family violence support group (victims) | restraining orders | Building Bridges

1.1.4 Educational Programs provide opportunities for people to acquire the knowledge, skills, desirable qualities of behavior and character, wisdom and general competence that will enable them to fully participate in and enjoy the social, political, economic and intellectual life of the community.

- **Schools** | Numerous Public and Separate Schools from K-12
• **Education Programs** | computer training (Library) | Tudors for literacy (Next Step) | family violence education (U of A practicum students project)

### 1.1.5 Environment and Public Health and Safety Programs

Promote public health, develop and implement measures for safety education and accident prevention, provide emergency rescue services for people in trouble and/or take other steps to enhance public health and safety and enable people to live in ecological balance and harmony with their surroundings.

- **Environmental Protection** | public health inspectors | Fort Air Partnership |
- **Public Health** | public health inspectors | public health nurses | fall prevention | new office for occupational health and safety opening
- **Public Safety** | 911 services | RCMP | emergency rescue | fire services | fire stations | municipal enforcement | victims’ services | nurse referral

### 1.1.6 Health Care

Provides services to help individuals and families achieve and maintain physical well-being through the study, prevention, screening, evaluation and treatment of people who have illnesses, injuries or disabilities; and the provision of family planning, maternity and other services that relate to human reproduction and sexual health.

- **Emergency Medical Care** | emergency medical transportation | paramedic/EMT services
- **Fort Saskatchewan Community Hospital** | Addiction and Mental Health Community Clinics | Audiology Services | Child Health Clinics | Diagnostic Imaging Services | Early Childhood Oral Health Services | Emergency Services (access by visit only) | General Radiology | Immunization services | Laboratory Services | New Moms Network | Nutrition Counselling | Public Health Centres | Pulmonary Rehabilitation Program | School Dental Services | School Health Nursing | Social Work | Tuberculosis Testing | Ultrasound
- **Edmonton Hospitals** | all other health services not available in Fort Saskatchewan
- **Other facilities** | 2 Health Centres | Personal Care Network | seniors health clinic | two nursing homes | long term care | public health clinics | Inpatient rehabilitation
- **Outpatient Health Facilities** | breast clinic
- **Rehabilitation/Habilitative Services** | inpatient rehabilitation | occupational therapy | orientation and mobility training | physical therapy | speech and hearing | therapeutic exercise | Chiropractic services |
- **Specialized Treatment** | chiropractic services | palliative care
- **Specialized Medicine** | podiatry/foot | hearing | optometrist and lab services | psychiatry services | psychology services | dermatology services | Dentists (10)
- **Homecare** | available across the sub-region

### 2.1.7 Income Support and Employment Programs

Help to meet the economic needs of the community by helping residents prepare for, find and sustain gainful employment; providing public assistance and support for those who are eligible; ensuring that retirees, older adults, people with disabilities and other eligible individuals receive the social insurance benefits to which they are entitled; and offering temporary financial assistance for people who are experiencing an unexpected financial crisis in situations where support related to their specific circumstances is unavailable.
Employment Programs | While there are few employment based agencies in Fort Saskatchewan, the income support and employment programs offered by the provincial and federal governments are available to all residents of Alberta who meet the qualifications | Careers under Construction have a presence in Fort Saskatchewan

2.1.8 Individual and Family Life Programs promote the personal, social and spiritual development of people in the community by offering services that replace or supplement the care and support that is generally available through the family unit; and offering social, religious/spiritual and leisure-time activities that are personally satisfying and lead to optimal social functioning.

Individual and Family Support Services | FCSS programs (Community Development, Youth and Family Services, and Home Support and Senior Services) | Boys and Girls Club programs (e.g. bulling prevention, positive relations, etc.) | Family Connections Program | Home Visitation Program | Early Childhood Development Program | child care providers | youth development (mentoring) programs | seniors outreach (e.g. meals on wheels) | cultural transition facilitators | leisure and recreation activities | Seniors drop-in (DOW centre) | Philanthropic | Bridging Generations program | leisure and recreation activities such as Jump-Start (Ages 4 – 18) | many volunteer opportunities

Recreation Centres | DOW Center | fitness facilities | dance studios | golf course | curling facilities

Assistance Programs | Recreation cost assistance (FCSS)

Support Groups | Al Anon | Alcoholics Anonymous | Cocaine Anonymous

Social Development and Enrichment | children’s play groups | parent/child activity groups | youth development | 22 places of worship | religious activities | many volunteer opportunities

2.1.9 Mental Health Care and Substance Abuse Services provide preventive, diagnostic and treatment services in a variety of community and hospital-based settings to help people to achieve, maintain and enhance a state of emotional well-being, personal empowerment and the skills to cope with everyday demands without excessive stress. Treatment for individuals who range from the severely chronically mentally ill through those who are experiencing difficult life transitions or who are having problems in coping with daily living.

Preventative Subsidized Counselling Services | Stress/anger management | self-esteem issues | relationship issues | grief support | baby loss program

Inpatient Mental Health Services | provided in Edmonton

Outpatient Mental Health Services | Addiction and Mental Health Community Clinics (Ft. Sask. Hospital) | crisis intervention | short-term and longer-term treatment (e.g. depression, schizophrenia, anxiety, suicide)

Mental Health Support Services | early intervention for mental illness | mental health information/education | therapy referrals | mobile services (youth and adult)

Substance Abuse Services | addictions counselling | all other addictions services offered in Edmonton
2.1.10 **Community Amenities and Services** include programs that provide any of a broad spectrum of services that benefit entire communities. Included are opportunities for individuals or groups to enjoy and benefit from the availability of a variety of services for residents, community agencies, and organizations, and other individuals/groups.

- **Arts and Culture** | arts centres | arts festivals | cultural heritage programs | dance performances | film presentations | historic preservation | historical societies | humanities activities/events | museums | music performances | performing arts facilities | theatre performances | visual arts

- **Community Facilities/Centres** | agency facility space | banquet facilities | conference/convention facilities | drop-in centres | lecture halls/auditoriums | meeting space | multipurpose centres | office space | retreat centres | indoor sports facilities | outdoor sports fields and rinks

- **Community Organizations** | Many community organizations (over 100) | Information and referral

2.2 **Gaps in Community Amenities and Support Services**

A discussion of the gaps is included after the review of the amenities and services inventory.

2.2.1 **Transportation**

Public transportation is a major barrier for many people living in Fort Saskatchewan. Transit service to Edmonton is available, but only during morning and evening peak hours for the workforce and student populations. There are also transportation services available for persons with disabilities and some seniors’ facilities have mini-buses, but both services are limited in terms of availability. Otherwise, private automobile and taxis’ are the only other option for anyone living in the Fort Saskatchewan. FCSS and Alberta Works provide some bus and taxi fare reimbursement. Any future non-market housing should take the current transportation challenges into consideration when determining the type and location of any future non market housing projects in Fort Saskatchewan.

The critical gap is for families who have children under the age of 5 who requires medical services that are only available in Edmonton. If transportation is not available, personal health is at risk. Another critical area is dialysis. The transportation services that are available cannot always wait the time it takes to complete a session of dialysis. This places considerable hardship on those individuals and their families and care providers.

Due to its important in terms of regional priorities and growth, transportation and housing are most effectively delivered when they are coordinated regionally. The transportation links to Edmonton are critical to the future growth of Fort Saskatchewan. Better public transit and disabled transit services are required to ensure that the Fort Saskatchewan continues to be an inclusive community with opportunities for everyone to thrive in their daily living.
2.2.2  Respite Care (care providers)
Respite services are not available in Fort Saskatchewan. Currently, there is a need for care provider relief in the areas of disabled adults, AISH recipients and seniors assisted living. The absence of respite services can make it very difficult to retain care providers and in instances where the care provider is a volunteer family member, can lead to burnout and eventually illness. Respite care is needed to build and maintain a sufficient supply of care providers in Fort Saskatchewan.

2.2.3  Domestic Violence
The closest emergency shelters for women and children are in Edmonton and Strathcona County. In some cases, it is important for families to relocate to another community for safety reasons, but many women struggle with relocating their families to Edmonton due mainly to its size and heavy traffic volume. Many women with children find it difficult to relocate to another community because they lose their support from family and friends. Feelings of uncertainty and a sense of isolation convince many to return to an unsafe situation.

Agencies do use hotels for emergency situations until they are able to find shelter space elsewhere (despite the issues of relocating to another community). There is a need for more shelter spaces across Alberta, but funding from government has not been forthcoming.

There is also a need for some form of safe, transitional housing for families in Fort Saskatchewan who are ready to leave the emergency housing. The absence of transitional housing means that many women are faced with the option of returning to an unsafe situation.

2.2.4  Independent Living for Youth
There is a need for supportive community living environments outside of institutional settings. A model such as a group home (3 - 6 individuals) would give local youth the opportunity to remain in their community and continue receiving support from family and friends.

2.2.5  Affordable Housing Options for Senior’s
There is a gap in affordable housing options for seniors between 55 and 65 who do not qualify for non-market housing — they make more than the Core Net Income Threshold (CNIT), but cannot afford market rental rates, especially if any type of support is included.

Affordable housing projects for seniors are available in Strathcona County and Edmonton, but applicants must still qualify using the CNIT’s. And because rents are NOT geared to income, many seniors are required to pay in excess of 30% of their income, placing them back into a situation where they cannot afford their housing costs. This situation is not unique to the capital region, but rather a result of the design of the affordable housing program and policy.
2.2.6  Seniors with higher levels of care  
Private continuing care facilities are available in Fort Saskatchewan at the standard government rates. However, many seniors cannot afford the relatively high cost of these facilities and have no other options besides the seniors lodge in Fort Saskatchewan. Many seniors age to the point where their health requires them to access higher levels of care and many cannot afford the cost, but there are no affordable options for them in Fort Saskatchewan.

2.2.7  New Immigrants  
New immigrants face many difficulties living in Fort Saskatchewan. Affordable housing is one of the major challenges they encounter, which is often related to their lack of credit history and inability to gain employment often related to their employment and educational backgrounds from their home country. Fort Saskatchewan has done an excellent job of embracing newcomers and facilitating their access to the appropriate housing and supports that are available in the community. There is a need for more affordable housing for large families.

2.2.8  Sustainable Funding  
It is difficult for local jurisdictions and non-profit agencies to plan and operate with short term (annual) funding commitments. Organizations need adequate time to plan and deliver programs. Short-term funding makes it very difficult and in some cases impossible to deliver programs and achieves quality results at the same time. Many organizations have ceased delivering programs because of the lack of long-term funding from the GoA.

2.2.9  Home Care  
There have been lots of staffing challenges with the recent transition to fewer homecare providers. One of the big challenges is the impact of constantly changing home care attendants on the seniors — many were used to have the same attendant every day and find the change dehumanizing and difficult to accept.

2.2.10  Homeless People  
Homeless people are more common and growing in numbers in Fort Saskatchewan. One explanation is the proximity to the Industrial Heartland and Refinery Row. Many workers come from eastern Canada to the Edmonton area looking for work and end up in Fort Saskatchewan. They often do not have the skills required for the job they were expecting to secure and end up without work. Some stay in Fort Saskatchewan and hoping to land a job in the area or with one of the northern projects, and become homeless due to a lack of financial resources. The government and non-profit agencies in Fort Saskatchewan are working together and helping these people. While there is a small gap, the answer is not some form of temporary housing or shelter. Fort Saskatchewan does not want to become a destination for the homeless. Homeless people with an affordability problem require secure, permanent housing that is affordable and suitable to meet their needs.

2.2.11  Affordable Day Care  
The high cost of day care and difficulties accessing subsidized daycare make it very challenging for lower income mothers to go back to work or attend educational programs. Much of the future growth will be in young families and any plans to provide non-market housing should ensure that sufficient, affordable daycare space (including all forms of child care) is available in the right locations.
2.2.12 Inpatient Mental Health Facilities
There are no inpatient beds available in the Fort Saskatchewan. Anyone requiring these services, who are usually the more severely ill, must go to Edmonton to access them. This creates many problems: (1) accessing transportation to the city hospitals can be difficult, (2) many people are not comfortable going to Edmonton and find it very challenging, and (3) patients lose their support network (family, friends, etc.), which can make it very difficult for some patients with a mental illness.

2.2.13 Outpatient Mental Health Supportive Housing
There are no subsidized supportive housing units available in Fort Saskatchewan for people with mental illnesses returning from inpatient facilities in Edmonton. Often, people returning from treatment that do not have access to supportive housing end up experiencing episodic homelessness and eventually end up back in the hospital. This scenario will keep repeating until people with a mental illness have access to a stable home with the appropriate supports.

2.2.14 Persons with Developmental Disabilities
There are no agencies in the Fort Saskatchewan that provide services to persons with developmental disabilities. The only supportive housing for disabled adults is located in Strathcona County and Edmonton, again forcing them to move away from their support network of families and friends.

There are no day programs available for Persons with Development Disabilities in the region, but there may be some opportunities for respite care in Edmonton if specialized transportation is available. Otherwise, family members and other care providers will have no opportunity for a break.

Fetal Alcohol, Spectrum Disorder (FASD) services are available for women in Fort Saskatchewan through Bridges, but there is nothing available for men.
6 Community Amenities and Support Services and Gaps - Strathcona County

A meeting of community stakeholders representing non-profit and local government agencies was held on May 5, 2014 in Strathcona County. The purpose of the meeting was to review existing community amenities and services and identify any issues and gaps specifically required to support lower income residents of non-market housing.

The information contained in this report is qualitative in nature and is not intended to be an assessment of community amenities and support services. Quantifying the need for various levels of such supportive services requires a much broader set of measures and data, and is beyond the scope of a Housing Need Assessment. Alternatively, the information from the meeting of stakeholders will provide a qualitative assessment of the issues and gaps that exist in Strathcona County at this time.

3.1 Availability of Community Amenities and Support Services

The service directory InformAlberta\textsuperscript{15} was used to help identify the various headings and sub-headings of amenities and services provided in the Sub-Region. InformAlberta follows the Alliance of Information and Referral Systems (AIRS) Infoline Taxonomy of Human Services\textsuperscript{16} classification system. The existing community amenities and support services headings from InformAlberta were used and are listed below:

- Basic Needs Programs
- Consumer Services
- Criminal Justice and Legal Services
- Education Programs
- Public Health/Safety Programs
- Health Care
- Income Support and Employment Programs
- Individual and Family Life Programs
- Mental Health Care and Substance Abuse Services
- Community Amenities and Services

\textsuperscript{15} InformAlberta is a provincial on-line directory of publicly funded and/or not-for-profit community, health, social, and government organizations and services.

\textsuperscript{16} Taxonomies are sophisticated tools that help people find the information they need. They are a type of a controlled vocabulary, a standardized set of terms and phrases that are used to index and retrieve information about a particular subject in a systematic, unambiguous way. The INFO LINE Taxonomy of Human Services has been endorsed by AIRS as the national standard for indexing human service resource files.
Each heading includes a brief description (based on the material on the InformAlberta website) of the content and an overview of the community amenities and support services that are currently available across the sub-region.

3.1.1 Basic Needs Programs provide survival level resources for individuals with low or fixed incomes, people who are homeless, older adults and/or people with disabilities who are otherwise unable to adequately provide for themselves and their families. Also included are some community-related services and amenities that are available to the community at large.

- **Food** | food vouchers (emergency FCSS) | Meals on Wheels (Homebound) | food bank (WECAN) | collective kitchen | farmer’s market | community gardens | Christmas hampers | meals for seniors (Christmas dinners and other occasions)

- **Housing and Shelter** | Rental supplements | secondary suites (municipality) | subsidized rental housing for seniors (Heartland Foundation) | People with developmental disabilities (Robin Hood Association) | subsidized home purchase (Habitat, HOME) | supportive housing for seniors (Heartland Foundation) | damage deposit assistance

- **Material Goods** | clothing and household goods vouchers | clothing banks (Clothing Nook) | discount household and personal goods (Robin Hood, Cinderella’s Closet)

- **Transportation Services** | public transit in county and to Edmonton | para-transit service and vehicles (municipal, Robin Hood, seniors facilities) | private transportation services (Driving Miss Daisy) | bus and taxi fare coverage available (FCSS and Alberta Works) across the county

- **Utility Assistance** | emergency utility payments (Alberta Works)

- **Utility Assistance** | emergency utility payments (Alberta Works) | disconnection protection (Alberta Works)

3.1.2 Consumer Services provide for the education and protection of individuals who buy products and services for personal use, such as establishing and enforcing consumer protection legislation; providing information to help consumers manage their finances and make informed credit and purchasing decisions, etc.

- **Money Management** | financial literacy workshops | financial management workshops

- **Educational Programs** | literacy programs | money management | benefits coordination | help filling out forms | intensive home visitation program

- **Tax Preparation Assistance** | free tax preparation service all year

3.1.3 Criminal Justice and Legal Services promote and preserve the conditions that enable community residents to live in a safe and peaceful environment.

- **Law Enforcement Agencies** | Royal Canadian Mounted Police

- **Law Enforcement Services** | Legal Aid Alberta | family violence counsellor | family violence support group (victims) | mental health professional on Rural Police and Crime
• Legal Services | Commissioner of Oaths | young offenders (Robin Hood) | victims services | youth justice services | mediation Society | Sexual Assault Centre (treatment) | Escort victims to court

3.1.4 Educational Programs provide opportunities for people to acquire the knowledge, skills, desirable qualities of behavior and character, wisdom and general competence that will enable them to fully participate in and enjoy the social, political, economic and intellectual life of the community.

• Schools | Numerous Public and Separate Schools from K-12

• Education Programs | SC Library provides numerous resources and programs for preschool, kids and teens | Tudors for literacy (Next Step) | Literacy and Citizen’s Council | Robin Hood Educational Program | numerous FCSS programs and services | PCN educational services | FCSS educational services

3.1.5 Environment and Public Health and Safety Programs promote public health, develop and implement measures for safety education and accident prevention, provide emergency rescue services for people in trouble and/or take other steps to enhance public health and safety and enable people to live in ecological balance and harmony with their surroundings.

• Environmental Protection | public health inspectors

• Public Health | public health nurses | fall prevention program | AHS office at new Health Centre | County Health Centre | CAER

• Public Safety | 911 services | RCMP | emergency rescue | fire services | fire stations | municipal enforcement | victims’ services | nurse referral

3.1.6 Health Care provides services to help individuals and families achieve and maintain physical well-being through the study, prevention, screening, evaluation and treatment of people who have illnesses, injuries or disabilities; and the provision of family planning, maternity and other services that relate to human reproduction and sexual health.

• Emergency Medical Care | emergency medical transportation | paramedic/EMT services

• Strathcona County Health Centre | Addiction and Mental Health Community Clinics | Audiology Services | Child Health Clinics | Drop In for New Mothers | Early Childhood Oral Health Services | Environmental Public Health services | Health For Two | Healthy Beginnings Postpartum Program | immunization services for numerous areas | Adult and Seniors Services | New Moms Network | Public Health Centres | School Dental Services | School Health Nursing | Seniors Dental Services | Travel Health Services | Tuberculosis Testing | health promotion

• Strathcona Community Hospital (phased in over time) | 24/7 Full Service Emergency Department | On Site Diagnostic Imaging Services | Laboratory Services | IV Therapy Clinic | Ambulatory clinics | Rehabilitation Chronic Disease Management including
registered nurses, registered dietitians, kinesiology’s, psychologist and health promotion facilitator supporting diabetes classes, asthma education and weight management for teens and adults

- **Edmonton Hospitals** | all other health services not available in Strathcona County
- **Other facilities** | Personal Care Network | seniors health clinic | two nursing homes | long term care | public health clinics
- **Outpatient Health Facilities** | breast clinic | ambulatory clinic |
- **Rehabilitation/Habilitative Services** | occupational therapy | orientation and mobility training | physical therapy | speech and hearing | therapeutic exercise | chiropractic services
- **Specialized Treatment** | chiropractic services | palliative care
- **Specialized Medicine** | podiatry/foot | hearing | optometrist and lab services | psychiatry services | psychology services | dermatology services | dentists
- **Homecare** | available across the sub-region
- **Health Programs** | adult day programs (respite for medical) | child day programs (respite for medical and speech therapy) | medical expenses coverage

**3.1.7 Income Support and Employment Programs** help to meet the economic needs of the community by helping residents prepare for, find and sustain gainful employment; providing public assistance and support for those who are eligible; ensuring that retirees, older adults, people with disabilities and other eligible individuals receive the social insurance benefits to which they are entitled; and offering temporary financial assistance for people who are experiencing an unexpected financial crisis in situations where support related to their specific circumstances is unavailable.

- **Employment Programs** | While there are few employment based agencies in Strathcona County, the income support and employment programs offered by the provincial and federal governments are available to all residents of Alberta who meet the qualifications | Alberta Works has an office in Sherwood Park | job placements for people with disabilities and mental health issues | employment preparation (Robin Hood)
- **Public Assistance Programs and Services** | All programs including income supports, disability benefits, employment insurance and others are available to all citizens of Strathcona County who are eligible | CTV Good Neighbor Fund | resume writing (Library, BGS)

**3.1.8 Individual and Family Life Programs** promote the personal, social and spiritual development of people in the community by offering services that replace or supplement the care and support that is generally available through the family unit; and offering social, religious/spiritual and leisure-time activities that are personally satisfying and lead to optimal social functioning.
• **Individual and Family Support Services** | FCSS programs (Community Development, Youth and Family Services, and Home Support and Senior Services) | Boys and Girls Club programs (e.g. bulling prevention, positive relations, etc.) | Family Connections Program | Home Visitation Program | Early Childhood Development Program | child care providers | youth development (mentoring) programs | leisure and recreation | leisure and recreation activities | many volunteer opportunities | some respite care (Robin Hood)

• **Recreation Centres** | Millennium Place | Ardrossan Recreation Complex | Kinsmen Leisure Centre | Strathcona Wilderness Centre | Glen Allan Recreation Complex | Broadmoor Public Golf Course | Moyer Recreation Centre | Strathcona Olympiette Centre | Sherwood Park Arena and Sports Centre

• **Assistance Programs** | Recreation cost assistance for all municipal facilities and programs (FCSS)

• **Support Groups** | Al Anon | Alcoholics Anonymous | Cocaine Anonymous | Boys and Girls Club | family conflict | ParentLink | care giver training

• **Social Development and Enrichment** | children’s play groups | parent/child activity groups | youth development | many places of worship | religious activities | many volunteer opportunities

3.1.9 **Mental Health Care and Substance Abuse Services** provide preventive, diagnostic and treatment services in a variety of community and hospital-based settings to help people to achieve, maintain and enhance a state of emotional well-being, personal empowerment and the skills to cope with everyday demands without excessive stress. Treatment for individuals who range from the severely chronically mentally ill through those who are experiencing difficult life transitions or who are having problems in coping with daily living.

• **Preventative Subsidized Counselling Services** | stress/anger management | self-esteem issues | relationship issues | grief support

• **Inpatient Mental Health Services** | provided in Edmonton

• **Outpatient Mental Health facilities and Services** | Addiction and Mental Health Community Clinics (Strathcona County Health Centre/hospital) | Community Mental Health and Addictions office | CASA | crisis intervention | short-term and longer-term treatment (e.g. depression, schizophrenia, anxiety, suicide)

• **Mental Health Support Services (coordinated through PCN)** | early intervention for mental illness | mental health information/education | therapy referrals | mobile services (youth and adult) | geriatric mental health services for seniors

• **Substance Abuse Services** | addictions counselling | mobile addictions counsellor (2 days/week) | all other addictions services offered in Edmonton
3.1.10 **Community Amenities and Services** include programs that provide any of a broad spectrum of services that benefit entire communities. Included are opportunities for individuals or groups to enjoy and benefit from the availability of a variety of services for residents, community agencies, and organizations, and other individuals/groups.

- **Arts and Culture** | arts centres | arts festivals | cultural heritage programs | dance performances | film presentations | historic preservation | historical societies | humanities activities/events | museums | music performances | performing arts facilities (Festival Place) | theatre performances | visual arts
- **Community Facilities/Centres** | agency facility space | banquet facilities | conference/convention facilities | drop-in centres | lecture halls/auditoriums | meeting space | multipurpose centres | office space | retreat centres | indoor sports facilities | outdoor sports fields and rinks
- **Community Organizations** | Many community organizations (over 100) | Information and referral
- **Disaster Services** | disaster recovery services (FCSS) | Strathcona County Alert System

3.2 **Gaps in Community Amenities and Support Services**

A discussion of the gaps is included after the review of the amenities and services inventory.

3.2.2 **Persons with Developmental Disabilities**

The Robin Hood Association provides residential housing options to approximately 200 adults with disabilities through the operation and monitoring of 40 group homes and 20 support homes in Strathcona County and Fort Saskatchewan. The demand is growing, mainly because many of the parents of children with disabilities are aging to the point where they can no longer look after them. The current gap is going to increase and needs to be considered in terms of planning new non-market housing developments.

3.2.3 **Cultural Transition Facilitation**

Most non-profit agencies in Strathcona County have support workers that are recent immigrants to Canada. It is fairly common to find Filipino women and men from African countries working in this sector. Many of these newcomers encounter issues with language, cultural norms, authority and others. A cultural services practitioner comes from Edmonton to help newcomers, but there is a need for other services (cultural broker/advocate) to support their transition into Canadian society. A new cultural services practitioner position has recently been approved, which should help address some of the gaps.

3.2.4 **Respite Care (care providers)**

There is a need for care provider relief in the areas of disabled adults, AISH recipients and seniors assisted living. The shortage of respite services can make it very difficult to retain care providers and in instances where the care provider is a volunteer family member, can lead to burnout and eventually illness. Respite care is needed to (1) provide relief for the parents of disabled children and adults, and (2) build and maintain a sufficient supply of care providers in Strathcona County.
3.2.5 Transportation
Transportation is a major problem in the rural areas of the County. It can be a real challenge for mothers with children who have strollers, bags and other gear to go grocery shopping or get to a doctor’s appointment. Transporting other goods such as furniture and other household goods can be very expensive and unaffordable for some people. The cost of the mobility bus also prevents some disable people from getting to Sherwood Park and Edmonton. Any consideration to build non-market housing in the rural areas of the Strathcona County should ensure that transportation is not an issue.

3.2.6 Domestic Violence
Strathcona County is fortunate to have Our Place for emergency situations. The gap occurs when women and children are ready to leave the shelter and transition back into the community. There is a need for some form of safe, transitional housing for families who are ready to leave emergency housing. The absence of transitional housing means that some women may be faced with the option of returning to an unsafe situation.

3.2.7 Home Care
There have been lots of staffing challenges with the recent transition to fewer homecare providers. One of the big challenges is the impact of constantly changing home care attendants on the seniors – many were used to have the same attendant every day and find the change dehumanizing and difficult to accept.

3.2.8 Homelessness
While it is not visible to many, there are increasing signs of couch-surfing happening in Sherwood Park, mainly teens, but also recently some families. While not prevalent, it is happening on the community and should be monitored.

3.2.9 Affordable Day Care
The high cost of day care and difficulties accessing subsidized daycare make it very challenging for lower income mothers to go back to work or attend educational programs. There is a particular shortage of spaces for babies at the current time. Much of the future growth will be in young families and any plans to provide non-market housing should ensure that sufficient, affordable daycare space (including all forms of child care) is available in the right locations.
Interim Report

Motion:
That the Capital Region Board receive the Interim Activity Report (April 2014-September 2014) for information.

Background

The Capital Region Board submits the Interim Report to Alberta Municipal Affairs annually as a requirement of the Board’s operating grant. To date, the Board’s progress on the Business Plan objectives is reported via the interim and annual reports.

The Interim Report is submitted to the province with the annual budget.

Recommendation

It is recommended that the Board receive the Interim Report for information.
CAPITAL REGION BOARD MEETINGS

The Capital Region Board held six meetings during this reporting period whereby the Board received a number of presentations and reports to support the implementation of the Growth Plan. The Board’s focus has been on projects outlined in the Capital Region Board 2012-2014 Business Plan, the 2014 Updated Budget and the 2014 – 2018 Strategic Plan.

Regional Priority Areas

- 2015 Capital Region Growth Plan Review and Update
  - Project 1A Plan Review and Policy Evaluation
  - Project 1B Baseline Data and Information Assembly
  - Project 1C Regional Economic Competitiveness Analysis
- Advocacy and Communications
  - Advocacy and Communications
  - CRB Roadshows
  - reCAP Newsletter and Social Media
- Governance
  - 2014 – 2018 Strategic Plan
  - Annual Report and Audit
  - Corporate Policy Review
  - Capital Region Board Committee Structure and Membership Review Implementation
- GIS
  - Capital Region Geographic Information Services Implementation
  - GIS Policy
- Housing
  - Sub-Regional Housing Needs Assessment
- Land Use
  - Non-Priority Growth Areas Policy Clarification
  - Prioritization of Regional Transportation Projects Report
  - Regional Energy Corridors Policy Framework Report
- Transit
  - Governance Study – Exploration of Regional Transit Commission

There were also a number of motions executed by the Board during this period including, but not limited to:

- Sending a letter to the Minister of Transportation and the Minister of Municipal Affairs requesting dialogue on alignment of long term regional and provincial growth & transportation plans for the Capital Region, as recommended by the Land Use & Planning Committee.
- Sending a letter to the Province requesting the establishment of a Public Transit Policy area, as recommended by the Regional Services Committee.
- Approving and amending the Terms of Reference for all new committees and task forces.
• Nominating Neal Sarnecki to be a member of the Regional Advisory Council for the North Saskatchewan Regional Plan.
• Accepting the Communications/ Advocacy Strategy Update as presented.
• Authorizing the Chair to send a letter to the Province supporting the GreenTRIP application for the City of Edmonton Valley LRT Line.
• Receiving the draft final report for the Plan Review and Policy Evaluation (Project 1A) and endorsing it as the basis for undertaking the Growth Plan Update from ISL Engineering and Urban Strategies.
• Receiving for information the mid-term report Advantages and Competitiveness of the Capital Region (Project 1c) for information by Sift Every Thing.

The Monitoring and Reporting Framework project, once implemented, will provide the CRB with performance measures to monitor and report outcomes of the Capital Region Growth Plan Policies. Currently, the Board’s progress on the Business Plan objectives is reported via the interim and annual reports. The Board will continue to communicate with the Province regarding the North Saskatchewan Regional Plan and will be hosting an information session on November 6, 2014.

MAJOR ACTIVITIES OF CAPITAL REGION BOARD COMMITTEES

The Board’s refocused committee structure supports the strategic priority areas of the Growth Plan. Accordingly, standing committees are established for Advocacy & Monitoring, Governance, Priorities & Finance, Transit, Land Use & Planning and Regional Services with task forces (Growth Plan Update, Housing, and Regional Energy Corridors) as needed. Work plans for each committee and task force were established this year for 2014-2018.

ADVOCACY AND MONITORING COMMITTEE

During this period in 2014, the Advocacy and Monitoring Committee met three times. For the first time, the Committee is moving forward on Phase 1 of the Monitoring and Reporting Project for the CRB. In addition, the Committee continues to focus on advocacy and communications directed to and by the Board.

GOVERNANCE, PRIORITIES & FINANCE COMMITTEE

In this reporting period, the Governance, Priorities & Finance (GPF) Committee met three times and oversaw activities including the audited annual financials, corporate policy review, the 2014 revised budget, the 2014-2018 budget and work plan, and recruitment of a new CEO.

The Capital Region Board underwent a strategic planning process in 2014. From February to October, the process included a strategic planning session and three facilitated workshops (vision, context and trends, and where do we want to go) with the Board. Interviews with Board Members and Chief Administrative Officers were conducted throughout the region to provide further input to the plan. The Capital Region Board 2014-2018 Strategic Plan is the result of an extensive collaborative process to determine the best possible future for Board activities. The final report was brought forward to the Board for information on September 11, 2014 and approve in October 2014.

Since inception, this is the first year the CRB has conducted a complete corporate policy review and 2014-2018 budget and work plan. Anticipated to begin in 2015, amendments to the CRB fiscal year end will also be changed to better align with provincial fiscal year. GPF continues to support and amend needed changes in the implementation stage of the new committee structure from 2013.
LAND USE & PLANNING COMMITTEE

The Land Use & Planning Committee held three meetings during this reporting period. The Committee continued with the implementation of the recommendations from the Regional Evaluation Framework (REF) Administration Report with the support of the Planning Advisory Group (PAG). From the recommendations, the Committee recommended the Board approve the Non-Priority Growth Area Policy Clarification as part of the interpretive guidelines to the Capital Region Growth Plan. The clarification assists member municipalities outside of Priority Growth Areas prepare statutory plans consistent with Growth Plan.

To support implementation of the Integrated Regional Transportation Master Plan (IRTMP) the Committee approved a revised 2013 Land Use Committee Business Plan to include a project to support the development of a short term regional transportation project priority list. The Prioritization of Integrated Regional Transportation Master Plan Project created a list of priority transportation projects that the Board would like the Province to consider in the development of Alberta Transportation’s 3 Year Capital Plan. The final report was recommended to the Committee on April 14, 2014 and was subsequently approved by the Board and forwarded to the Province.

The Committee oversaw the work of the Energy Corridors Task Force. The mandate of the Task Force was to prepare a policy framework to address the growing confluence of transmission lines and pipelines in the Capital Region. The Capital Region Energy Corridors Policy Framework Report was approved by the Committee on August 21, 2014 and subsequently approved by the Board on September 11, 2014. The Land Use & Planning Committee is proceeding to develop a Regional Energy Corridors Master Plan in 2015 as recommended by the report.

REGIONAL ENERGY CORRIDORS TASK FORCE

The Regional Energy Corridors Task Force produced a Regional Energy Corridors Policy Framework Report approved by the Board on Sept 11, 2014. The Task Force’s priorities were developing a framework for energy corridors in the region. The Task Force was disbanded after the report was approved as the CRB moves forward in developing the recommended an energy corridors master plan.

REGIONAL EVALUATION FRAMEWORK

The Regional Evaluation Framework (REF) is the primary implementation tool of the Capital Region Board (CRB) to implement the Capital Region Growth Plan. It provides submission and review criteria on which the Capital Region Board evaluates municipal statutory plans and statutory plan amendments to ensure consistency with the long-term Capital Region Growth Plan.

Arising from the implementation of the recommendations from the REF Administration Report, a new administrative process was proposed to reduce costs and streamline review of REF applications. On May 9, 2013, the Board approved the amended REF Administration Procedures which eliminated the CAO Subcommittee review of REF applications and introduced an appeal mechanism for administrative recommendations that supported approval of a statutory plan or statutory plan amendment.

Following a 6 month review of the new process, the Board approved revisions to the REF procedures to: provide additional time for member municipal councils to appeal an approval recommendation by CRB Administration on a REF application; and clarify the procedure for revising statutory plans after a REF
The application has been deemed complete. On April 10, 2014, the Board approved the revised CRB Administrative Procedures for REF applications effective July 1, 2014.

From April 1, 2014 to September 30, 2014, four municipal statutory plans and statutory plan amendments were approved by the Board pursuant to the Regional Evaluation Framework. No applications were withdrawn or rejected by the Board during this period.

**REGIONAL SERVICES COMMITTEE**

The Regional Services Committee met twice during this reporting period. The Committee has received the GIS Policy draft and referred the policy to Transit and Land Use & Planning Committees and approved the 2014-2018 GIS Work Plan.

The Committee supports the Housing Task Force as projects move forward including the Housing Work Plan and Sub-regional Needs Assessment Framework. In addition, the Committee supported the Transit Task Force until it was amended to be a CRB standing committee.

**TRANSIT COMMITTEE**

The Transit Committee met four times during the reporting period. The Committee’s priorities focus on advocacy, the intermunicipal transit governance study, the GreenTRIP program, and the Specialized Transportation Regional Needs Assessment.

The Intermunicipal Transit Governance Study completed in March 2014 received further feedback from municipalities. The Transit Committee accepted the update on the Intermunicipal Transit Governance Study and asked that the CRB Administration work with the Transit providers to frame the political/operational questions for the Transit Committee’s consideration.

The Transit Task Force requested that the CRB Chair send a copy of the Intermunicipal Transit Governance report to the Province and CEO, Doug Lagore to request a meeting with Alberta Municipal Affairs, Alberta Transportation and Alberta Infrastructure to discuss the report and its implementation.

It was established that advocacy issues regarding the Transit Committee are to be brought forward to the Advocacy & Monitoring Committee by the Transit Chair. The Committee received the Intermunicipal Transit Governance Study Municipal Feedback – Administrative Report for information and requested CRB Administration refer the Municipal Feedback back to the Consultant, AECOM, to provide a contextual response to the questions and to incorporate the responses into the final report.

The Board’s 30-Year Transit Service Plan dated September 2011, Integrated Regional Transportation System Study dated June 2011, and Integrated Regional Transportation Master Plan dated September 2011, were included as addenda to the Capital Region Growth Plan approved by Ministerial Order No. L: 025/10 on June 17, 2013. The Committee received the Integrated Regional Transportation Master Plan Prioritization of Regional Transportation Projects Report, dated June 12, 2014 report for information in July 2014.

In addition, the Committee asked that the CRB send a letter to the Province requesting the establishment of a Public Transit Policy and, finally, to request a meeting be arranged with the Province to discuss GreenTRIP as related to Regional Smart Card technology. Finally, the Committee approved the proposal for conducting a Needs Assessment Pilot for Specialized Transit for implementation in 2015 subject to budget approval.
GROWTH PLAN UPDATE TASK FORCE

Phase 1a on the Plan Review and Policy Evaluation with project consultants ISL Engineering and Land Services and Urban Strategies Inc was approved by the Board on September 11, 2014. Phase 1b on Base Line Spatial Data and Information with Dark Horse Analytics was received in May 2014 by the Task Force. Finally, Phase 1c from Sift Every Thing will be presented to the Board in November 2014. Phase 2 Policy Framework Review and Phase 3 Implementation and Support will continue with ISL Engineering and Land Services and Urban Strategies Inc. scheduled for final Board approval and submission to the Province by the end of 2015.

HOUSING TASK FORCE

The task force met three times during this reporting period. Task force priorities throughout this time were to develop the 2014 – 2018 work plan, the development of a sub-regional planning model that would move planning and prioritization of non-market and market affordable housing towards a model based on need and conceived at the sub-regional level, as well as the implementation of a policy framework to encourage the increased production of market affordable housing in the region. The task force received the draft sub-regional needs assessment framework and pilot reports in August 2014. Work on this phase of the project will continue in the remaining sub-regions.

In this reporting period, the task force supported the planning of the 2014 ReEnvision Housing Symposium. The theme for this year’s symposium (October 2, 2014) promoted the Our Affordable Future – Market Affordable Housing Policy Framework, intended to encourage a broad range of housing types to respond to the diverse needs, household sizes, and income levels of the region’s citizens.

OTHER ACTIVITIES

During this reporting period, the Capital Region Board administration continued to work with Stephanie Chai, a planning intern who is part of the two-year Municipal Affairs Internship Program for Land Use Planners. Stephanie completed the internship and was subsequently hired on by CRB Administration as Director of Special Projects.

During this reporting period, the Capital Region Board prepared a draft terms of reference for a potential economic development committee and prepared for its inaugural economic development summit (October 3, 2014) to include assemble more than 100 key regional stakeholders in one room to discuss the future of regional economic development.

FINANCIAL REPORTING

Unaudited Financial Statements for the period April 1, 2013 to March 31, 2014 were prepared and provided to Alberta Municipal Affairs in May 2014. The 2014 Budget and Actuals Report for the Capital Region Board showing the revenue and expenditures from January 2014 to September 2014 will be presented to the Board in November 2014.
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| 2014.01 | Feb 13       | Fort Saskatchewan           | What will be the process for dispersing these line items in the 2014 Budget:  
- $250,000 - Special Projects?  
- $50,000 - Board Initiatives? | Complete Feb 21 |
<p>| 2014.02 | Mar 13       | Chair CRB                  | Clarification of REF withdrawal process: What are the parameters for making amendments and/or withdrawing a REF appeal once it’s been made? | Complete Mar 20 |
| 2014.03 | Apr 10       | Chair CRB                  | Members requested that CRB administration report on the province’s position on Agricultural Land Policy.                                   | Complete May 13 |
| 2014.04 | June 12      | Bon Accord                  | What is impact of potential CRB REDA on local economic development activities in the region?                                            | Complete Oct 24 |
| 2014.05 | June 12      | Chair CRB                  | How is agricultural land consumption being monitored and/or tracked?                                                                      | Complete Oct 24 |
| 2014.06 | June 12      | Chair CRB                  | How does CRB interact with Capital Region Waste Minimization Advisory Committee?                                                           | Complete Oct 27 |
| 2014.07 | July 10      | Chair CRB, Bon Accord       | Does FOIP demand a minimum time limit or format for keeping Board records?                                                                  | Complete Oct 27 |
| 2014.08 | July 10      | Chair CRB                  | Request that a representative of the Ministry of Transportation be invited to attend a Land Use &amp; Planning meeting.                       | Complete Oct 9  |
| 2014.09 | Aug 14       | Chair CRB                  | How will the Economic Development Summit be communicated to the media?                                                                     | Complete Sept 29|
| 2014.10 | Sept 11      | Chair CRB                  | How will the Energy Corridors Final Report be communicated?                                                                                    | Complete Sept 22|
| 2014.11 | Sept 11      | Chair CRB                  | How will we move forward with the Energy Corridors Final Report?                                                                               | Complete Sept 21|
| 2014.12 | Oct 9        | Morinville, Redwater       | What will the extra money ($600K from members) projected in the 2015 budget be used for?                                                   | Complete Oct 27 |
| 2014.13 | Oct 9        | Chair CRB                  | Can the provincial government requisition funds based on the decisions of the Capital Region Board?                                        | In process      |
| 2014.14 | Oct 9        | Bon Accord                  | This request serves as clarification for IR.2014.10. How was the Energy Corridors Final Report communicated to Alberta Transportation and how was it accepted? | Complete Oct 27 |
| 2014.15 | Oct 9 | Chair CRB | What additional provincial departments should the Energy Corridors Final Report be communicated to? | Complete Oct 27 |
| 2014.16 | Oct 9 | City of Edmonton | For Priority Growth Areas and Cluster Country Residential Areas, what densities are actually being achieved on growth approved and growth built out since the Regional Growth Plan took statutory effect? | In process |</p>
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<thead>
<tr>
<th>Request Date</th>
<th>From</th>
<th>Request</th>
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<tbody>
<tr>
<td>October 9, 2014</td>
<td>Morinville, Redwater</td>
<td>What will the extra money ($600K from members) projected in the 2015 budget be used for?</td>
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<th>Response</th>
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<tbody>
<tr>
<td>October 24, 2014</td>
<td>Administration (CEO)</td>
<td>As per the recommended 2015-2016 Budget, the resulting extra $1.2 million would be put into general revenues, and reflected in projects in the 2015-2016 Work Plan, as recommended by the Governance, Priorities &amp; Finance Committee.</td>
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<td>Request Date</td>
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<tr>
<td>October 9, 2014</td>
<td>Mayor of Bon Accord</td>
<td>This request serves as clarification for IR.2014.10. How was the Energy Corridors Final Report communicated to Alberta Transportation and how was it accepted?</td>
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</table>
| October 23, 2014 | Administration | • As a research paper, the Energy Corridors Final Report does not contain policy positions or recommendations.  
• It was finalized and posted to website on October 21, 2014. Copies will be sent to the Ministers of Energy, Infrastructure, Municipal Affairs and Transportation, and to the Chair of the Capital Region Caucus of the Legislature.  
• When policy is developed and approved CRB will forward it to the Minister of Transportation for further consideration. |
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<td>October 9, 2014</td>
<td>Board Chair</td>
<td>What additional provincial departments should the Energy Corridors Final Report be communicated to?</td>
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<tbody>
<tr>
<td>October 23, 2014</td>
<td>Administration</td>
<td>In addition to the Department of Energy (Minister Fawcett), the Energy Corridors Final Report is being sent to the Ministries of:</td>
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<td></td>
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<td>• Infrastructure (Minister Bhullar)</td>
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<td></td>
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<td>• Municipal Affairs (Minister McQueen)</td>
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<td>• Transportation (Minister Drysdale)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>and</td>
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<td></td>
<td></td>
<td>• The Chair of the Capital Region Caucus (Matt Jeneroux, MLA Edmonton-South West)</td>
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<td></td>
<td></td>
<td>A cover letter from the Board Chair will note that an Energy Corridors Master Plan Task Force will soon be launched, through the Land Use &amp; Planning Committee, to create a Regional Master Plan for energy corridors.</td>
</tr>
</tbody>
</table>
Advocacy & Monitoring Committee  
(Formally Performance Monitoring Committee)  

Thursday, October 9, 2014  
7:00 a.m. – 8:30 a.m.  
Chateau Louis – Executive Room  
11727 Kingsway Edmonton, AB

Members:  
Nolan Crouse, City of St. Albert  
Camille Berube, Town of Beaumont  
Tom Flynn, Sturgeon County  
Don Iveson, City of Edmonton (Vice-Chair)  
Greg Krischke, City of Leduc (Chair)

Regrets:  
Wes Brodhead, City of St. Albert  
Mel Smith, Redwater

CRB Staff & Consultants:  
Doug Lagore, CEO  
Sharon Shuya, Project Manager  
Brendan Pinches, Project Manager

Guests:  
Roxanne Carr, Strathcona County  
Leslie Chivers, Sturgeon County  
Gibby Davis, City of Edmonton  
Yolande Shaw, Strathcona County  
Patty Walker, City of Fort Saskatchewan

CRB Staff & Consultants:  
Loreen Lennon, Communications Manager  
Stephanie Chai, Assistant Project Manager  
Amanda Borman, Executive Assistant

1. CALL TO ORDER

Chair, Mayor Krischke, called the meeting to order at 7:15 a.m.

2. Approval of Agenda

It was agreed by unanimous consensus that the Advocacy & Monitoring Committee October 10 meeting agenda be approved.

3. Approval of the Minutes

Motion: That the minutes of July 10, 2014 be approved.  
Moved by: Mayor Camille Berube, Town of Beaumont  
Decision: Carried unanimously
4. Updates from Chairs of Standing Committees

   It was agreed by unanimous consensus the Advocacy & Monitoring Committee receive for information the updates from the Standing Committee Chairs.

5. Terms of Reference

   Motion: That the Advocacy & Monitoring Committee recommend the Capital Region Board approve the updated Terms of Reference.
   Moved by: Mayor Don Iveson, City of Edmonton
   Decision: Carried unanimously

6. Board Motion B2014-38 regarding GreenTRIP criteria

   Motion: That the Advocacy & Monitoring Committee postpone the development and implementation of an advocacy strategy to propose to the Province changes to the GreenTRIP criteria such that the criteria could include “community buses” on the basis that community buses are one of many forms of mass transportation and as such support the GHG reduction and traffic congestion reduction initiatives, until the needs assessment for specialized transit has been completed.
   Moved by: Mayor Tom Flynn, Sturgeon County
   Decision: Carried unanimously

7. Advocacy and Communications Update

   Motion: That the Advocacy & Monitoring Committee approve the updated Three-Year Advocacy and Communications Strategic Plan (2015-2018).
   Moved by: Mayor Camille Berube, Town of Beaumont
   Decision: Carried unanimously

8. 2015 Meeting Schedule

   Motion: That the Advocacy & Monitoring Committee approve the 2015 Meeting Schedule, with the exception of the January 8 meeting which will be rescheduled to December 11, 2014 at 7:30 a.m.
   Moved by: Mayor Don Iveson, City of Edmonton
   Decision: Carried unanimously

9. Next Meeting

   i. December 11, 2014 at 7:30 a.m.
10. ADJOURNMENT

It was agreed by unanimous consensus that the Advocacy & Monitoring Committee meeting be adjourned.

Meeting adjourned at 8:30 a.m.

Committee Chair, Greg Krischke
Regional Services Committee

Thursday, October 30, 2014
1:30 p.m. – 3:30 p.m.
Edmonton Petroleum Club – Rainbow Room
11110 – 108 Street, Edmonton

Members:
Stephen Lindop, Town of Devon (Vice Chair)
Ed Gibbons, City of Edmonton
Louise Baxter, City of Spruce Grove
Sheena Hughes, City of St. Albert
Rick Smith, Leduc County
Darrell Hollands, Parkland County
Brian Botterill, Strathcona County
Dave Taylor, Town of Lamont (alternate)
Ralph van Assen, Village of Warburg

Regrets:
Mel Smith, Town of Redwater (Chair)
Ken Baril, Town of Legal

Guests:
Nolan Crouse, Board Chair
Gibby Davis, City of Edmonton
Dwight Ganske, Town of Stony Plain
Mike Pieters, City of Leduc
Patty Podoborozny, Town of Bruderheim

CRB Staff & Consultants:
Doug Lagore, CEO
Brendan Pinches, Project Manager
Loreen Lennon, Communications Manager
Stephanie Chai, Assistant Project Manager
Lisa Saskiw, Administrative Assistant
Thom Stubbs, Headwater Group

1. Call to Order

Vice Chair, Mayor Stephen Lindop, called the meeting to order at 1:31 p.m.

2. Opening Remarks

3. Approval of the Agenda

Motion: That the agenda of October 30, 2014 be approved, as amended to add Agenda Item 7b “Comments by Board Chair Crouse”.
Moved by: Councillor Darrell Hollands, Parkland County
Decision: Unanimously carried

4. Approval of the Minutes, August 28, 2014

Motion: That the minutes of August 28, 2014 be approved.
Moved by: Councillor Ed Gibbons, City of Edmonton
Decision: Unanimously carried
5. **Sub-regional Needs Assessment Framework & Pilot Reports**
   
a. **Framework User Guide**
   
b. **Leduc Housing Sub-region Report**
   
c. **Strathcona & Fort Saskatchewan Housing Sub-region Report**
   
   **Motion:** That the Regional Services Committee receive the Sub-regional Needs Assessment Framework and Pilot Reports for information, and forward these items to the Capital Region Board for information.

   **Moved by:** Mayor Ralph van Assen, *Village of Warburg*

   **Decision:** Unanimously carried

6. **Project Updates**
   
a. **Growth Plan Update**
   
   **Motion:** That the Regional Services Committee receive the project update for information.

   **Moved by:** Councillor Darrell Hollands, *Parkland County*

   **Decision:** Unanimously carried

7. **Other Business**
   
a. **2014/2015 Meeting Schedule**
   
   It was agreed by unanimous consensus that the Regional Services Committee approve the 2015 meeting schedule.

   **b. Comments by Board Chair Crouse**

8. **Adjournment**
   
   It was agreed by unanimous consensus that the Regional Services Committee meeting be adjourned.

   Meeting adjourned at 2:03 p.m.

   **Next meeting:** November 20, 2014 at 1:30 p.m., Edmonton Petroleum Club – Rainbow Room

________________________
Committee Vice Chair, Stephen Lindop
Transit Committee

Thursday, October 16, 2014
9:00 a.m. – 11:30 a.m.
Edmonton Petroleum Club - Rainbow Room
11110 – 108 Street, Edmonton

Members:
Wes Brodhead, City of St. Albert (Chair)
Michael Walters, City of Edmonton (Vice Chair)
Gale Katchur, City of Fort Saskatchewan
Dana Smith, City of Leduc
Searle Turton, City of Spruce Grove
Brian Botterill, Strathcona County
Susan Evans, Sturgeon County

Guests:
Nolan Crouse, Board Chair
Ferd Caron, Sturgeon County
Matt Carpenter, Strathcona County Transit
Leslie Chivers, Sturgeon County
Gibby Davis, City of Edmonton
Leanne Labossiere, Town of Beaumont
Corey Levasseur, City of Spruce Grove
Bob McDonald, City of St. Albert
Yolande Shaw, Strathcona County
Kevin Wenzel, City of Leduc

Regrets:
Alan Windhorst, Government of Alberta

CRB Staff & Consultants:
Doug Lagore, CEO
Neal Sarnecki, Project Manager
Sharon Shuya, Project Manager
Brandt Denham, GIS Coordinator
Lisa Saskiw, Administrative Assistant

1. Call to Order

Chair, Wes Brodhead called the meeting to order at 9:01 a.m.

2. Chair Opening Remarks

3. Approval of Agenda

**Motion:** That the Transit Committee agenda be approved, as amended to add an additional discussion item to Agenda Item 5 “Transit Committee Approved Terms of Reference” – referring to the motion from the October 9, 2014 Board meeting regarding a review of the Transit Committee Membership and decision making process.

**Moved by:** Councillor Susan Evans, Sturgeon County

**Decision:** Carried unanimously
4. **Approval of Minutes, September 19, 2014**

**Motion:** That the Transit Committee minutes be approved.

**Moved by:** Councillor Dana Smith, *City of Leduc*

**Decision:** Carried unanimously

5. **Transit Committee Approved Terms of Reference**

**Motion:** That the Transit Committee maintain the existing membership.

**Moved by:** Councillor Michael Walters, *City of Edmonton*

**Decision:** Carried unanimously

6. **Project Updates**

6.1 **Intermunicipal Transit Governance Study – Follow Up Report**

**Motion:** That the Transit Committee accept the update on the Intermunicipal Transit Governance Study Follow Up Report as information.

**Moved by:** Mayor Gale Katchur, *City of Fort Saskatchewan*

**Decision:** Carried unanimously

6.2 **GreenTRIP**

**Motion:** That the Transit Committee accept the revised Project Status Report as information.

**Moved by:** Mayor Gale Katchur, *City of Fort Saskatchewan*

**Decision:** Carried unanimously

7. **New Business**

7.1 **Review of the GIS Policy**

**Motion:** That the Transit Committee accept the Draft GIS Policy as information.

**Moved by:** Councillor Susan Evans, *Sturgeon County*

**Decision:** Carried unanimously

7.2 **Transit Policy and the Province**

**Motion:** That the Transit Committee direct CRB Administration to organize a joint facilitated workshop with Calgary Regional Partnership to discuss provincial public transit policy in early 2015.

**Moved by:** Councillor Michael Walters, *City of Edmonton*

**Decision:** Carried unanimously
7.3 CRB 2015/2016 Project Summary

Motion: That the Transit Committee accept the CRB 2015/2016 Project Summary as information.
Moved by: Councillor Michael Walters, City of Edmonton
Decision: Carried unanimously

7.4 Committee Meeting Dates – 2014/2015

Motion: That the Transit Committee approve the 2015 meeting dates.
Moved by: Mayor Gale Katchur, City of Fort Saskatchewan
Decision: Carried unanimously

8. Adjournment

It was agreed by unanimous consensus that the Transit Committee meeting be adjourned.

Meeting adjourned at 10:53 a.m.

Next Meeting: November 20, 2014 at 9:00 a.m., Edmonton Petroleum Club – Rainbow Room
Housing Task Force

Friday, October 24, 2014
9:00 a.m. – 11:00 a.m.
Edmonton Petroleum Club – Rainbow Room
11110 – 108 Street, Edmonton

Members:
Dwight Ganske, Town of Stony Plain (Chair)
Stew Hennig, City of Fort Saskatchewan (Vice Chair)
Ed Gibbons, City of Edmonton
Dan Warawa, Lamont County
Ralph van Assen, Village of Warburg (alternate)

Regrets:
Audrey Kelto, Leduc County
Mel Smith, Town of Redwater

CRB Staff & Consultants:
Doug Lagore, CEO
Loreen Lennon, Communications Manager
Brendan Pinches, Project Manager
Lisa Saskiw, Administrative Assistant
Gary Gordon, Headwater Consulting

Guests:
Nolan Crouse, Board Chair
Lori-Anne St. Arnault, Meridian Foundation
Louise Baxter, City of Spruce Grove
Loretta Bertol, Government of Alberta
Barb Bigelow, City of Fort Saskatchewan
Kevin Capowski, Heartland Housing Foundation
Bonnie Dobbs, University of Alberta
Gibby Davis, City of Edmonton
Daryl Kreuzer, City of Edmonton
Cory Labrecque, City of Leduc
Lory Scott, City of St. Albert
Yolande Shaw, Strathcona County
Annette Van Woerkorn, Government of Alberta
Tim Ward, Government of Alberta

1. Call to Order
Chair, Dwight Ganske called the meeting to order at 9:04 a.m.

2. Chair Opening Remarks

3. Approval of Agenda

Motion: That the Housing Task Force agenda be approved.
Moved by: Councillor Ed Gibbons, City of Edmonton
Decision: Carried unanimously

2014-20
4. **Approval of Minutes, August 20, 2014**

   **Motion:** That the Housing Task Force minutes be approved.
   **Moved by:** Councillor Dan Warawa, Lamont County
   **Decision:** Carried unanimously

5. **Sub-regional Needs Assessment Framework & Pilot Reports**

   **Motion:** That the Housing Task Force receive the Sub-regional Needs Assessment Framework and pilot reports for information, and forward this information to the Regional Services Committee.
   **Moved by:** Mayor Ralph van Assen, Village of Warburg
   **Decision:** Carried unanimously

6. **Project Updates**

   a. 2014 ReEnvision Housing Symposium
   b. Sub-regional Needs Assessment Reports
   c. Growth Plan Update

   **Motion:** That the Housing Task Force receive the project updates for information.
   **Moved by:** Councillor Stew Hennig, City of Fort Saskatchewan
   **Decision:** Carried unanimously

7. **2014/2015 Meeting Schedule**

   **Motion:** That the Housing Task Force receive the remaining 2014 (November 21) and 2015 (January 23, March 27, May 22, July 24, September 18, November 27) meeting schedule as presented.
   **Moved by:** Councillor Ed Gibbons, City of Edmonton
   **Decision:** Carried unanimously

8. **Regional Housing Policy Discussion**

9. **Adjournment**

   It was agreed by unanimous consensus that the Housing Task Force meeting be adjourned.

   Meeting adjourned at 10:54 a.m.

   **Next Meeting:** November 21, 2014 at 9:00 a.m., Edmonton Petroleum Club – Valley View room

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Housing Task Force Chair, Dwight Ganske
CRB Voting Structure

Original Motion

That the Capital Region Board hold a planning session of all Board members to review the current Voting Structure (Section 5 subsections (2) and (3)), of the Capital Region Regulations and bring back recommendations to the Capital Region Board, regarding the Regulation’s functionality.

Introduction

The Capital Region Board Regulation established the Board and stipulates the voting structure. It is clearly within the Province’s authority to establish the voting structure. Section 5 subsections (2) and (3) of the Capital Region Board Regulation states the following:

**Voting rights of representatives**

(2) If a decision of the Capital Region Board is to be made by a vote, the decision must be supported by not fewer than 17 representatives from participating municipalities that collectively have at least 75% of the population in the Capital Region.

(3) Subject to section 2(6), if a representative is not present when a vote of the Capital Region Board is taken, or abstains from voting, the representative is deemed to have voted in the affirmative.

Background

- On June 13, 2014, the Board postponed the Village of Warburg’s motion to hold a planning session of all Board members to review the current Voting Structure (Section 5 subsections (2) and (3)), of the Capital Region Regulations and bring back recommendations to the Capital Region Board, regarding the Regulation's functionality to after the 2013 election.

- On November 14, 2013, the Board then postponed the matter until after the strategic plan was completed.

- The Strategic Plan was received for information on September 11, 2014.

Recommendation

It is recommended that the Board not support any change at the present time in terms of its legally constituted voting structure.