

A woman with dark hair in a ponytail is kissing a young child on the cheek. The child is smiling broadly. They are sitting on a porch or patio. In the background, there is a modern, two-story house with a gabled roof and a small tree. The sky is blue with some clouds.

every community

needs affordable housing
for working families



Habitat
for Humanity®
Southern Alberta

THE SILVER CREEK DEVELOPMENT OPPORTUNITY

32 affordable townhomes for purchase by working families

May 2018

Message from Gerrad Oishi

HABITAT PRESIDENT & CEO

The following document summarizes the opportunity our Silvercreek development presents to Calgary.

On paper, this development is 32 townhomes to be built in the Silvercreek area of Silver Springs. You can see the specifics in the land use and development permit applications.

But this project is so much more than that. It's an opportunity to give our community an affordable housing initiative to rally around and celebrate. Habitat for Humanity is one of the most well-known and trusted affordable housing organization in the world. We have already built successfully in 25 communities in Calgary. This project will bring many parts of our community together – funders, volunteers, City officials and the construction industry – all sharing the same positive purpose. People believe in our approach and support it.

Calgary has an affordable housing problem. Calgary ranks at or near the bottom when compared to most major cities across Canada in terms of availability, suitability and cost for families. We are grateful that The City of Calgary has taken some significant steps to help address this situation. Our Silvercreek development provides The City and the community with an opportunity to follow through on these intentions, and join with other organizations who are investing with us to help tackle this challenge.

This project delivers on a number of goals:

- It complies with City development and building requirements. We are seeking no major relaxations, and have followed process, working with City staff every step of the way.
- It meets The City's expectations for community engagement for a development of its size.
- It increases density, though modestly, and creates more affordable housing in an established community.
- It will raise awareness of the need many working families have for appropriate affordable housing.
- It will add new high-quality, energy-efficient homes, built above current code.
- It will benefit the local community and help it stay vibrant. The Silver Springs community is both aging and declining in population. This development will help support local businesses, schools, transit, recreational facilities and libraries.
- It will do all this with no financial risk to taxpayers.

More than that, it will be transformative for the children of the families who will purchase these homes.

The broader Calgary community is on board. We have more than \$2 million in funding support from the Government of Alberta, Calgary's realtor community through CREB Charitable Foundation, several faith communities of Calgary, and a major Calgary funding institution. Through projects like this, we can make housing affordable for more working families.



Gerrad Oishi
President and CEO
Habitat for Humanity Southern Alberta

The need for more affordable housing in Calgary

THE CALGARY CONTEXT

For housing to be affordable, a household should not spend more than 30% of their gross income on shelter (CMHC). Currently, one in five Canadian families spends more than half of their income on housing costs.

- Calgary is behind in terms of affordability and availability of housing
- More than half of Calgary's residential communities do not have any non-market housing units
- Calgary's non-market affordable housing stock is 3.6%, behind the national average of 6%
- A 2016 University of Calgary study determined that Calgary is the worst city in Canada for low-income earners to live
- Calgary Housing Company has a 4,000 person waitlist and processes 245 new eligible applications per month
- Habitat's website gets 1,000 visits a month to our Affordable Homeownership program page

POOR-QUALITY HOUSING IS AN ISSUE IN CALGARY

Despite many responsible landlords, individuals applying for Habitat homes have experienced a range of harmful living conditions renting in Calgary:

- Environmental health hazards (mold, poor air quality, rodents and pests) put kids at risk of chronic illnesses such as asthma
- Some rental homes are unsafe (exposed wires, window bars, poor heat, etc.). Home is where most childhood accidents occur and these conditions lead to more accidents

Overcrowding is a concern in one- and two-bedroom rental units:

- Crowding affects mental health, ability to cope with stress, social relationships and sleep
- Crowding also increases risk of childhood injuries, high blood pressure and respiratory conditions

IMPACT OF HIGH RENTS ON WORKING FAMILIES

- 68% of low income renters are overspending on shelter.
- Calgary has the highest rents in the bottom tier of rentals of the major cities in Canada.
- Unpredictable rent increases often force families to move multiple times a year.
- Families earning near the Low Income Cut-Off (LICO) live paycheque-to-paycheque, sometimes needing multiple jobs to make ends meet.
- Families paying over 30% of income on housing may have to make the difficult choice between rent and food. Saving is virtually impossible, whether for a home down-payment or their children's education.
- Lone-parent families, particularly lone-mother families, face economic challenges.
- Single mothers face hardships in trying to provide all necessities for their children.
 - 43% of Habitat homeowners are single parents, and women head 95% of these households.

The opportunity in Silvercreek

- Address these challenges for 32 working families. Change the life trajectory for 60 to 80 kids.
- Create affordable housing in an established community in Calgary's northwest.
- Help to implement a sustainable affordable housing solution.
- Provide an opportunity for 3,000 volunteers a year and multiple donors and sponsors to observe and celebrate The City's support of affordable housing.
- Accomplish this without City of Calgary funding (other than the Housing Incentive Program).

Habitat's solution

Habitat for Humanity delivers three programs in southern Alberta:

- Our *Affordable Homeownership Program* helps working families enter the housing market
- Our *Construction Program* builds (and renovates) homes for our families to purchase
- Our *ReStore Program* is a social enterprise which sells donated furniture, appliances and home improvement products at discount prices. It is the largest in Canada.

HABITAT'S AFFORDABLE HOME OWNERSHIP PROGRAM

- No-interest, no-down-payment mortgage
- Mortgage payments capped at 25% of household income (reviewed annually)
- 500 volunteer hours per family
 - Each family contributes 500 hours to Habitat before they can purchase the home
 - The majority of hours are worked on the build site. The rest can be worked in other areas of Habitat or in the community

To qualify to purchase a home through our program, families must:

- Have children under the age of 18
- Be employed full time
- Have demonstrated need in their current housing situation
- Be citizens or permanent residents who have lived here for 2 years

Habitat reinvests mortgage payments into the construction of new affordable homes.

WHO BUYS HABITAT HOMES?

- Includes parents who work in a range of sectors and roles, for example: transit operators, retail associates, administrative and office workers, drivers, cleaners, estimators
- 43% are single-parent families
- On average the families have 2-3 kids
- Common income range is \$33,000 and \$58,000

TRANSFORMATIVE FAMILY IMPACTS

- Home stability and safety for kids
- Financial independence and flexibility for families
- Parents earn equity on their home investment, potential to sell and enter regular housing market
- Reduced family stress
- Ability to invest in education and health care

Habitat's Silvercreek Development

DESIGN SUMMARY

- 32 units in four buildings, each building with 8 stacked townhomes
- Each unit 1100 square feet, 3 bedrooms, 1.5 baths – a typical starter home
- Selling price estimated at \$275,000
- 40 resident above-ground parking stalls (1.25 per unit plus 5 guest parking stalls (0.15 per unit)
- Play-space
- Height reduced to 12m from 14m (i.e. 2m below the height allowed under MC-1)
- Access via 64th Avenue NW
- Built above 9.36 code for energy efficiency
- Professionally designed by Gravity Architecture

FULLY COMPLIANT WITH CITY REQUIREMENTS

- Not seeking any major bylaw relaxations.
- Design has been reviewed and endorsed by the Urban Design Review Panel (UDRP)
- Worked through issues and questions with City planning and development staff

COMMUNITY ENGAGEMENT

- Began in June 2016 and continues to the present
- Includes 7 specific engagements with the community members or the Silver Springs Community Association, plus participation in City engagement processes
- Habitat is committed to being a great neighbour to existing residents

COMMUNITY CONCERNS

- 15 to 20 households have expressed concerns via City engagement. Most live close to the development site or on feeder roads.
- Other Silver Springs respondents to Habitat have supported the project.
- Concerns generally focused on two groups of issues: perceived negative impact of increased density at the site and perceived changes to the character of the community
- Habitat has listened from the start and is still listening
- Habitat made changes in response to feedback (e.g. height and parking)
- Habitat researched and responded to other feedback (e.g. traffic impact study)

See Appendix 2.0 for a complete summary of resident questions and concerns, along with responses.



Silvercreek development timeline

	2016	2017	2018
JANUARY		Habitat meets with SSCA Board	City Council reviews Land Use application, approves 1st reading (Jan 22/23 mtg)
FEBRUARY			Design is reviewed by UDRP, which endorses project Habitat meets with residents' representative
MARCH		Habitat presents conceptual design at SSCA Open House (Mar 23) Habitat submits Land Use application (Mar 24)	Habitat initiates personal outreach to concerned residents
APRIL		City engagement process	Habitat submits revised DP application Habitat submits updated review package to SSCA
MAY		City staff meets with SSCA and residents Habitat meets with City staff on community feedback	Habitat meeting with concerned residents (May 9) Project at CPC (May 17)
JUNE	Land Offered for Sale Habitat meets with SSCA Pres.	Habitat participates in City-led engagement at SSCA (Jun 29)	City Council for 2nd and 3rd reading of the Land Use and subsequent approval of DP (June 11)
JULY	Circulation of initial concepts to SSCA Board	Habitat meets with City staff on community feedback	
AUGUST	Habitat consultations with The City on zoning and development	HABITAT WORKS ON PROJECT ADJUSTMENTS IN RESPONSE TO COMMUNITY FEEDBACK Habitat starts work on DP application	
SEPTEMBER	Habitat's Land Purchase Approved by Habitat Board	Habitat receives consultant's report on traffic impact	
OCTOBER	Land Acquired by Habitat	Habitat submits initial DP for review by City staff	
NOVEMBER/ DECEMBER	Project Design by Habitat	CPC reviews and recommends Land Use application	

Appendix 1.0 - Positive Community Impacts

CHALLENGE AND IMPACT

HABITAT'S SOLUTION

COMMUNITY

Community institutions want **significant active projects** to increase affordable housing for working families.

Habitat's project is being welcomed and supported by numerous businesses, service clubs and individual donors and supporters. In addition, several significant community institutions have now committed more than \$2.4 million to this project.

These include:

- Per-door funding commitment from the Government of Alberta
- \$1,000,000 commitment from Calgary's realtors through CREB Charitable Foundation
- Commitment of \$1,000,000 from a major foundation
- Significant funding from several different faith communities

Raise awareness of the housing challenges faced by many working families in Calgary.

This project will show how this housing can add value to a community through the addition of beautiful homes and hardworking families.

Provide a way to **engage the community** in affordable housing.

The project will engage 3000 volunteers a year and a large number of donors and sponsors, all of whom want to support better outcomes for working families.

THE CITY OF CALGARY

Increase density across Calgary

Currently only 28% of Silver Springs dwellings are multi-family, below the City average of 42%.

Add affordable housing to existing communities

Habitat's project will achieve this and will establish a model showing that affordable housing can add value to communities.

Support sustainable affordable housing

Habitat's unique sustainable model is a proven and affordable way of moving families out of social housing and inappropriate rental, and offering a path towards market home ownership.

Show leadership in the development of affordable housing

Opportunity to make a statement about intentions to support affordable housing and demonstrate leadership and impact, all without taking on any financial risk for taxpayers.

Energy-efficient development

Habitat projects are built above code for energy efficiency to help families control utility costs.

Development projects **comply with process and development standards**

Habitat's project complies with every City requirement and has followed City processes. Habitat is asking for no relaxations of any kind.

Appendix 2.0 - Resident Questions & Concerns

Silver Springs is a great community for families and Habitat is excited to have an opportunity to build 32 new starter homes in Silver Creek for families to purchase. However, 15-20 residents close to the proposed development have expressed concerns. The following itemizes the concerns Habitat has heard and the work we have done to address them.

CONCERN, ISSUE OR QUESTION

HABITAT'S ACTION AND RESPONSE

IMPACT OF ADDED DENSITY

Access via Nose Hill Drive

Why can't a road connection be built directly to Nose Hill Drive?

The City has investigated this and determined that it would not be acceptable if proposed because of the steep grade that the road would need to have, the related engineering concerns, and the traffic safety issues associated with an intersection so close to the Silver Springs Road intersection.

Additionally, the evidence suggests that the density pressures from this project do not warrant the construction of such a link.

Reduce the Number of Units

Why can't Habitat just reduce the number of units?

Habitat has investigated this option carefully and determined that reducing the number of units would make them unaffordable to the families who purchase our homes.

32 units appears not to have traffic or parking impacts, and is an economically viable number for both our homebuyers and Habitat.

Concentration of families is too dense

Absorbing these families may be difficult for the community.

The proposed development is 32 units, likely comprising three- to four-person families. It is designed to easily and comfortably accommodate this population, as are many similar developments across Calgary.

As Silver Springs is already a low-density community that has experienced a decline in population, there is no evidence to indicate that other aspects of the community cannot absorb these families. The proposed development will increase the Silver Springs population of 8,900 by approximately 1%.

Parking

Street parking is already an issue in Silvercreek. Won't this development will make a bad situation worse?

Habitat is exactly meeting The City's specific requirement for 1.25 parking stalls per unit (40), plus 0.15 guest parking stalls per unit (5). It is not seeking a relaxation from these ratios. Allocation will provide sufficient resident parking on-site.

Habitat believes this parking will be sufficient because:

- The size of the units will not attract purchasers with larger families
- Nearly half of Habitat homeowners are single working parents, who will not have two vehicles
- This location offers superb access to transit. Habitat is constructing a pedestrian walkway to the bus stop on Nose Hill Drive, a walking distance of less than 100m
- This will provide easy transit access for residents to shopping, recreation and the LRT. In turn, this will reduce the pressure to add additional vehicles.

Traffic

Concern that the roads cannot sustain the additional automobile traffic.

Habitat commissioned a traffic impact study which determined that the traffic impact of the development would be negligible on 64 Avenue and Silvercreek Way. The study also determined that the traffic volumes in this community did not reach the thresholds which would normally be needed to justify a study. It is a low-traffic zone.

The study was carried out by an engineering firm with a strong reputation which is relied on frequently by many developers and The City to carry out these assessments. Habitat staff did not participate in the study.

Road Problems

Residents raised the issue of pooling of water and ice in the T-intersection of Silvercreek Way & 64th Ave.

These issues are the responsibility of The City of Calgary, and Habitat has no direct role in addressing them. In general, Habitat developments rely on The City for the provision of safe and secure City services.

Residents also raised the issue of narrow and iced roads during the winter and the risks of those conditions if there is more traffic.

Habitat's understanding is that:

- The City has indicated it will assess the T-intersection. If it is an issue The City will address it.
- Winter road conditions in Silvercreek are similar to those of many other Calgary communities with hills and turns

Given that the traffic impact is negligible, these issues will not be affected by Habitat's development.

Height is inappropriate

The project will block views for existing residents and create shadow effects.

Habitat has heard these concerns and responded by reducing the height of the project from 14m to 12m, which is a drop of 6'6" (well under the maximum allowable under MC-1). This change will significantly reduce the shadow affect, and will mean that only immediate neighbours to the east will have their views affected.

Construction Concerns

The construction project will be too large and will negatively affect the community.

The construction project will be phased over three years as each 8-plex is completed. The construction plan is to have a fully-contained site for most of these phases.

Landscaping and parking will be constructed first, which will allow all trades and volunteers to park on the site (i.e. not on the street) until the final phase, and provide space for deliveries.

Vehicles for deliveries and workers will need to travel through the community during this period.

Impact on Schools

Can our schools accommodate this influx of children?

Habitat has consulted with the Calgary Board of Education (CBE), which serves two-thirds of Calgary's school kids, and confirmed that there will be capacity to accommodate the elementary students at Silver Springs School, FE Osborne can well accommodate the middle school students, and there is also available capacity at Bowness High School and Robert Thirsk High school, depending on the program needs of the student.

Impact on Schools *(cont'd)*

Can our schools accommodate this influx of children?

The schools serving Silver Springs area have experienced a decline in Silver Springs elementary student numbers. As a result, the CBE has just moved all regular program students out of WO Mitchell and consolidated them all in Silver Springs School because of non-viable numbers. WO Mitchell is now a 100 % designated Spanish school where the students will be bussed in.

Impact on Property Values

This project will reduce the value of neighboring properties.

Habitat can find no evidence to support this. Our experience is the opposite.

- Habitat's quality of design and construction contributes to community appearance and aesthetics
- Across Calgary, multi-family developments and condos are now part of most new community development, and are being built right beside single-family homes and duplexes
- Habitat family purchasers represent the same cross-section of middle class behaviours as in any community, and have incentive to maintain the homes they have purchased to maximize their equity

In addition, it is possible that certainty regarding the modest development of this parcel of land will contribute positively to future home valuations.

In general, property values in Silver Springs are more likely to be affected by broad economic trends than by a single 32-unit development.

IMPACT ON CHARACTER OF COMMUNITY

Multi-Family

How is this development appropriate if Silver Springs has always been a community of single-family homes?

The parcel of land Habitat is developing has always been zoned S-FUD. This is a designation for undetermined future use, which allows developers to propose any future land use designation. In this context, 32 units is a modest development proposal.

The Silver Springs community has never been only single-family homes. Currently 28% of dwellings are multi-family.

Families

Will these families fit in?

The purchasers of Habitat homes are all working families, they have to be employed and financially stable in order to qualify for our affordable mortgage program. The families who purchase our homes are no different from other families in Silver Springs or other Calgary communities.

In addition, Habitat screens family applications on a number of criteria to ensure they are a good fit for home ownership and interested in being part of the community. Evidence suggests that our homeowners are more engaged in community life than the community norm.

Habitat's mortgage terms do not allow homeowner families to lease out their homes. They must occupy them as their primary residence.

Home Design and Construction

Will the homes fit in?

Habitat homes are beautifully designed and well-built by professional trades and volunteers supervised by professional construction staff.

- They are designed on-purpose to blend in with the existing community and not stand out in terms of quality or the design aesthetic
- They are designed and built above code for energy efficiency in order to keep utility costs for our families as low as possible

Change

Will this development significantly change the community?

This is an understandable concern. However Calgary needs to develop to meet the needs of a growing metropolitan centre.

Currently the Silver Springs community:

- Is older than the Calgary average – its population spread has a very different shape than Calgary as a whole
- Is down 1,700 people from its population peak

Silver Springs currently has approximately 3,500 dwellings. The Habitat development will add 32 to this total.



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