
Subject: FW: Email - Communication - Alan Wallace - Amendment to Innovative Housing Policy C09-002 - File CK 750-0
Attachments: joint_letter_to_pdcs_committee-signed.docx

Submitted on Monday, December 28, 2020 - 09:48

Submitted values are:

Date Monday, December 28, 2020

To His Worship the Mayor and Members of City Council

First Name Alan

Last Name Wallace

Phone Number

Email

Address Le May Crescent

City Saskatoon

Province Saskatchewan

Postal Code

Name of the organization or agency you are representing (if applicable) National Affordable Housing Corporation

Subject Amendment to Innovative Housing Policy C09-002

Meeting (if known) SPC on Planning Development and Community Services

Comments NAHC is submitting a Letter of Support for the proposed amendments to the Innovative Housing Incentive Policy C09-002. This is going on the January 12, 2021 PDCS Agenda. We do not wish to speak to the item. Thanks.

December 18, 2020

Standing Committee on Planning, Development & Community Services
(For **January PDCS** Meeting)
c/o City Clerk
222 – 3rd Avenue North
Saskatoon, SK S7J 0K5

RE: POLICY CHANGE TO – INNOVATIVE HOUSING INCENTIVES – POLICY C09-002 – TAX ABATEMENTS FOR MIXED AFFORDABLE MARKET HOUSING

The National Affordable Housing Corporation (NAHC) is writing on behalf of a group of Saskatoon affordable housing providers who have recently announced, planning and currently building new mixed-market housing developments in Saskatoon. Mixed-market (or mixed-income) housing is where affordable housing units are combined with market housing units within the same development to help support ongoing financial sustainability of the affordable units.

We are writing to the Standing Committee on Planning, Development and Community Services to lend our support to the Administration's recommendation to offer incremental tax abatements for mixed-market housing developments.

NAHC is a Saskatoon-based, non-profit organization and part of a network of non-profits across Canada that helps low-to-moderate income individuals, couples and families find affordable housing. Working with the private sector, government and other non-profits, we've helped build 1200+ new affordable homes in Saskatoon alone and partnered on nearly 30 multi-family affordable housing projects.

We have developed a unique business model which combines market, affordable and special needs housing within single projects. This business model relies on a modest amount of support from government sources.

NAHC has spearheaded positive changes to housing policies and programs to create a better environment for affordable housing to flourish. Our organization recognized that there was a gap in the City's incentive policy which penalized mixed-market housing by disqualifying the affordable units to be eligible for a tax abatement. We also recognized that many cities in Canada provide incentive support for mixed-market developments.



Mixed-market housing developments have several advantages over fully concentrated affordable housing developments.

1. They have the effect of de-concentrating affordable housing in a city by providing units within market developments in a variety of locations.
2. They tend to be situated in good locations in well-planned areas close to schools, shopping and community facilities and amenities.
3. They help remove the stigma often associated with concentrated and economically designed affordable housing.
4. They provide for units which are dedicated and will remain affordable for a minimum of 10 years.
5. They are more sustainable and require only a relatively small amount of assistance from the municipality.
6. They utilize revenue from market units to assist in keeping rents for affordable units below market averages - in many cases 10 to 50% below market levels.
7. They meet CMHC's criteria to qualify as affordable housing projects and underwriting assurance.

Increasing the supply of affordable housing units is challenging at the best of times. NAHC is working with several affordable housing providers in Saskatoon who understand that the City's annual capital grant assistance for affordable housing is limited and is subject to available dollars from the Saskatoon Land Bank program. This source of funding is also subject to volatility due to fluctuating market conditions and is therefore not a stable, reliable source of assistance year over year. Allowing the City to provide a tax abatement for mixed-market developments will help assist and encourage housing providers to consider more of these desired housing developments.

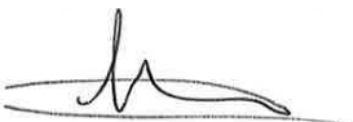
We are in full support of the amendment to the City's housing policy. We feel this is a positive step forward and adds another tool in the toolbox to encourage more affordable housing units in Saskatoon. The timing is also good as we are seeing a growing need for more good quality affordable rental housing units in good locations in Saskatoon.

Lastly, we are also fully in support of qualifying the mixed-market developments who have been recently turned down for a tax abatement incentive. This seems fair and reasonable as it was these denials which led NAHC to propose this policy change to the City.

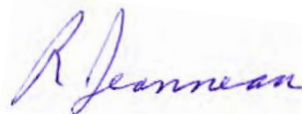
Sincerely,



Tyler Mathies, CEO
National Affordable Housing Corporation



Shirley Isbister
CUMFI



Bob Jeanneau, Committee Chair
KC Charities, Inc.



Geoff Peters, CEO
Petrichor Developments