



CITY OF PRINCE ALBERT

PLANNING ADVISORY COMMITTEE REGULAR MEETING

AGENDA

**TUESDAY, APRIL 26, 2022, 4:00 PM
MAIN BOARDROOM, 2ND FLOOR, CITY HALL**

1. CALL TO ORDER

2. APPROVAL OF AGENDA

3. DECLARATION OF CONFLICT OF INTEREST

4. APPROVAL OF MINUTES

- 4.1 February 8, 2022 Planning Advisory Committee Meeting Minutes for Approval (MIN 22-9)

5. CORRESPONDENCE & DELEGATIONS

6. REPORTS OF ADMINISTRATION & COMMITTEES

- 6.1 PAC - Housing Program Update (RPT 22-46)

Verbal Presentation: Kristina Karpluk, Planning Manager

- 6.2 PAC - Land Development Policy Update (March and April) (RPT 22-175)

Verbal Presentation: Kristina Karpluk, Planning Manager

7. UNFINISHED BUSINESS

8. ADJOURNMENT



City of
Prince Albert

MIN 22-9

MOTION:

That the Minutes for the Planning Advisory Committee Meeting held February 8, 2022, be taken as read and adopted.

ATTACHMENTS:

1. Minutes



CITY OF PRINCE ALBERT

PLANNING ADVISORY COMMITTEE REGULAR MEETING

MINUTES

**TUESDAY, FEBRUARY 8, 2022, 4:00 P.M.
3RD FLOOR CONFERENCE ROOM, CITY HALL**

PRESENT: Councillor Terra Lennox-Zepp (Attended via teleconferencing)
Councillor Dawn Kilmer
Clayton Clark
Victor Hernandez (Attended at 4:10 p.m.)
Carmen Plaunt
Kim Scruby
Kyle Smith-Windsor

Terri Mercier, Secretary
Craig Guidinger, Director of Planning and Development Services

1. CALL TO ORDER

Councillor Kilmer, Chairperson, called the meeting to order.

2. APPROVAL OF AGENDA

0001. **Moved by:** Clark

That the Agenda for this meeting be approved, as presented, and, that the presentations, delegations and speakers listed on the Agenda be heard when called forward by the Chair.

Absent: Hannah Buckie and Victor Hernandez

CARRIED

3. DECLARATION OF CONFLICT OF INTEREST

4. ADOPTION OF MINUTES

0002. **Moved by:** Plaunt

That the Minutes for the Planning Advisory Committee Regular Meeting held October 26, 2021 be taken as read and adopted.

Absent: Hannah Buckie and Victor Hernandez

CARRIED

5. CORRESPONDENCE & DELEGATIONS

6. REPORTS OF ADMINISTRATION & COMMITTEES

6.1 2022 Planning Advisory Committee Proposed Meeting Schedule (RPT 22-44)

0003. **Moved by:** Smith-Windsor

That the 2022 Planning Advisory Committee Meeting Schedule, as attached to RPT 22-44, be approved.

Absent: Hannah Buckie and Victor Hernandez

CARRIED

6.2 PAC Work Plan 2022 (RPT 22-45)

Verbal Presentation was provided by Craig Guidinger, Director of Planning and Development Services.

0004. **Moved by:** Scruby

That the following be forwarded to an upcoming City Council meeting for consideration:

That the 2022 Planning Advisory Committee Work Plan, as attached to RPT 22-45, be approved.

Absent: Hannah Buckie

CARRIED

7. UNFINISHED BUSINESS

8. ADJOURNMENT – 4:25 P.M.

0005. **Moved by:** Clark

That this Committee do now adjourn.

Absent: Hannah Buckie

COUNCILLOR DAWN KILMER
CHAIRPERSON

TERRI MERCIER
SECRETARY

MINUTES ADOPTED THIS 26TH DAY OF APRIL, A.D. 2022.



RPT 22-46

TITLE: PAC - Housing Program Update

DATE: January 25, 2022

TO: Planning Advisory Committee

PUBLIC: X

INCAMERA:

RECOMMENDATION:

That this report providing an update to the Planning Advisory Committee on the Housing Reserve Programs be received as information and filed.

TOPIC & PURPOSE:

The purpose of this report is to update the Planning Advisory Committee on the changes that were made to the current housing programs based on the conversations that took place in 2021 and to introduce a new program that Administration will be preparing for further consultation later this year.

PROPOSED APPROACH AND RATIONALE:

In early 2022, City Administration forwarded a report to City Council for consideration regarding the Housing Reserve Programs. In this report Administration summarized the comments made by the PAC and proposed a number of program changes that reflect them. Administration also proposed a new Housing Reserve Program, the Residential Renovation Program. Please see the attached report for more information.

In quarter 1 and 2 of 2022, Administration will be undertaking further consultation on the Affordable Housing Program in order to better understand who may use it and what needs currently exist (have program needs shifted, become greater, etc.). Additionally, Administration will be preparing the Residential Renovation program, which is based on a number of existing housing programs offered by other organizations and levels of government for review by the PAC. The goal is to have something for further consideration in quarter 3 of 2022.

PUBLIC NOTICE:

Public Notice pursuant to Public Notice Bylaw No. 24 of 2015 is not required.

PRESENTATION:

Verbal by Kristina Karpluk, Planning Manager

ATTACHMENTS:

1. Housing Reserve Programs Report 2022

Written by: Kristina Karpluk, Planning Manager

Approved by: Director of Planning and Development Services & City Manager



City of Prince Albert

RPT 22-21

TITLE: Housing Reserve Programs

DATE: January 14, 2022

TO: City Council

PUBLIC: X

INCAMERA:

RECOMMENDATION:

1. That the First Time Home Buyer Program, funded from the Housing Reserve, be approved subject to finalization by Administration; and
2. That administration proceed with preparing the Residential Renovation Program for consideration at an upcoming Planning Advisory Committee and Executive Committee meeting.

TOPIC & PURPOSE:

The purpose of this report is:

- To approve the First Time Home Buyer Program (formerly the Down Payment Assistance Program), funded out of the Housing Reserve; and
- To introduce a new Housing Reserve Program, the Residential Renovation Program.

BACKGROUND:

In 2021, Administration undertook a comprehensive review of the above noted housing programs, which resulted in multiple in-depth conversations with the Planning Advisory Committee. See attached for a summary of this review and see attached for the original housing programs.

PROPOSED APPROACH AND RATIONALE:

As a result of the attached review, Administration is proposes the following:

1. Affordable Housing Program

See attached for program information.

Based on the comments provided to date, Administration recommends continuing with this program as is. Additionally, Administration will be conducting further public engagement on this topic in order to continue to learn about current affordable housing needs.

At the end of the year a follow up report will be submitted, detailing the year's successes and the results of the further public engagement. At that time, Administration may make recommendations on any changes needed.

2. First Time Home Buyer Program (formerly the Down Payment Assistance Program)

See attached for the original Down Payment Assistance Program information.

Based on the comments provided, Administration recommends the following program changes:

- That the repayment clause be removed;
- That the program language regarding the income and qualifying home cost requirements be simplified and focused on those who can afford a home under \$200,000 (maximum household income of \$80,000);
- That the funds provided by this program to go the approved applicant for one of the following:
 - o To form part of the minimum required down payment (50% of the down payment up to \$5000),
 - o To help cover closing costs (Up to \$2000), or
 - o To help pay for an identified significant/immediate home repair (50% of the value of the work completed up to \$5000), which may include:
 - Replacement/repair of a furnace or secondary heat source, water heater, shingles, windows, wiring, etc., and
 - o To rename the program the "First Time Home Buyer Program"

The rationale behind these changes is to simplify and shift the focus of the program. The original focus was on the applicant, helping someone who needed to meet a very specific set of criteria enter home ownership, and protect the City's investment; over the course of two years, only one applicant came forward who truly met the qualifications and intended focus. By simplifying the program requirements, the new focus becomes an investment in and supporting movement through the housing continuum.

In order ensure this program remains limited to the target market, Administration has set the maximum income level (single or multiple income earners) at \$80,000. As well, the maximum qualifying home value (purchase price) has been set at \$200,000. At this price, a mortgage and property taxes are roughly equivalent in cost to the average rental rate of an apartment or home; a \$200,000 mortgage, with the minimum \$10,000 down payment, amortized over 25 years at 2% is approximately \$840/month. Including property taxes, that brings a monthly payment up to approximately \$1000 (assuming annual property taxes of approx. \$2000).

New to this program is allowing the funds to go towards a significant, immediate home repair. Upon reviewing the homes under \$200,000 that are currently on the market, many require some sort of short term investment, a new furnace, windows, shingles, even the renovation of an illegal or non-conforming secondary suite (to meet the necessary minimum safety standards) and that represents a significant cost, as well as a potential stumbling block for first time home buyers at this income level.

Ultimately, a big part of supporting affordable rental in Prince Albert is helping people enter home ownership, freeing up the rental units. In order to do that, we need to ensure that we consider what a potential new home owner really needs in today's market in order to justify and afford to make the move.

3. Secondary Suite Program

See attached for original program information.

Similar to the Down Payment Assistance Program, the focus of this program resulted in very limited uptake, but the point of the program, to provide funding for the upgrade of secondary suites, remains valid. As a result, Administration is proposing a new program (see below) that could be used to renovate a secondary suite (in addition to the amendments to the above noted program that also allow for secondary suite repair).

Therefore, subject to the review and approval of the Residential Renovation Program, Administration recommends that the Secondary Suite Program be discontinued.

4. Residential Renovation Program

See attached for draft program information.

In considering the comments shared by the PAC, in discussing the current housing market in Prince Albert with industry experts, in reviewing the homes that are on the market and in our experience managing housing programs, permits, orders and applications, the need for a program that provides support for those who already own a home, but are unable to afford more significant or critical renovations or repairs has presented itself.

When we consider the housing market in Prince Albert available to or owned by those who make up to \$80,000, and the barriers that exist that make significant or critical renovations difficult to do (competing needs, cost of construction supplies, cost to hire professionals, etc.) we can see that the quality, even safety, of a home can deteriorate over time. This scenario is true for many people and it can (and does) impact our community in many ways:

- Homes can become dilapidated and attract unwanted behavior;
- Residents may be forced to live in unsafe or unhealthy situations (faulty/broken furnace, faulty wiring, leaky roof, broken windows, no water heater, etc.); and
- Residents, both considering buying or selling, will be faced with addressing these issues and this financial challenge can stall movement through this sector of the housing continuum.

In order to address this, Administration is proposing a new Housing Reserve Program, the Residential Renovation Program, which is intended to help those who meet the necessary criteria pay for significant or critical home repairs, which may include renovations to a secondary suite.

A program of this nature is not unique. Examples exist that Administration has drawn on to put together the attached draft Schedule "A". A strong example of a similar program is offered by Metis Nation – Saskatchewan, the Emergency Repair Program. See attached.

If approved, Administration will continue to form this program and bring it before both the PAC and the Executive Committee for discussion, prior to formal consideration.

CONSULTATIONS:

Over the course of 2021, Planning and Development Services consulted with the Planning Advisory Committee, a local mortgage broker and local contractor on the above noted housing programs, with the exception of the proposed Residential Renovation Program. Planning and Development Services has also discussed these programs internally (Planning and Building) at length in order to better understand whether the needs observed by our department are being met by the current programs.

COMMUNICATION AND/OR ANNOUNCEMENT PLAN:

Subject to approval, Planning and Development Services will finalize the Affordable Housing Program and First Time Home Buyer Program literature and post the programs on the City website for use. As noted above, further public engagement will be initiated regarding the Affordable Housing Program, the results of which will also be reported to the PAC and City Council.

Additionally, the draft Residential Renovation Program will be added to the upcoming PAC work plan for review.

POLICY IMPLICATIONS:

As the Housing Reserve Programs are funded from the Housing Reserve, any changes to the programs, or creation of new programs, will need to align with the Housing Reserve Policy. The changes noted above, as well as the proposed new program align with the purpose of the Housing Reserve Policy,

"2 PURPOSE

2.01 The Housing Reserve Policy is to:

- a) establish a reserve that is used exclusively for the funding of housing programs as approved by City Council; and,
- b) assist in increasing access to safe, accessible and affordable housing, across the housing continuum, for all residents of Prince Albert."

FINANCIAL IMPLICATIONS:

If the Affordable Housing Program is fully utilized in 2022, the total cost to the Housing Reserve will be \$90,000 (three (3) applications at a maximum value of \$30,000 each).

If the First Time Home Buyer Program is fully utilized in 2022, the total cost to the Housing Reserve will be \$25,000 (five (5) applications at a maximum value of \$5,000 each).

The current balance of the Housing Reserve, subject to change pending the approval of a Secondary Suite Program application, is \$640,855.

OTHER CONSIDERATIONS/IMPLICATIONS:

There are no privacy concerns or options to the recommendation to consider with this report.

STRATEGIC PLAN:

COMPASSIONATE Understanding that the services we provide are valued and understanding the needs and challenges of the end user and working to make their experience positive.

2. ACTIVE AND CARING COMMUNITY The City strives to provide high quality services to meet the dynamic needs and expectations of our citizens.

OFFICIAL COMMUNITY PLAN:**“Section 6: Land Use**

Considering the high proportion of people that live below the low income cut-off (LICO), the need for social and affordable housing is critical. Adequate [safe] housing can stabilize neighbourhoods and enable the community to wrap services around individuals and families who require them. Constant mobility destabilizes neighbourhoods and then these neighbourhoods are vulnerable to the influences of domestic violence, crime, gangs and substance abuse.”

PUBLIC NOTICE:

Public Notice pursuant to the Public Notice Bylaw No. 24 of 2015 is not required.

PRESENTATION: None**ATTACHMENTS:**

1. Housing Program Review Summary
2. Affordable Housing Program Application
3. Affordable Housing Program – Schedule “A”
4. Affordable Housing Program – Operating Agreement
5. Down Payment Assistance Program Application and Schedule “A”
6. Secondary Suite Program Application and Schedule “A”
7. Residential Renovation Program
8. MN-S Emergency Repair Program

Written by: Kristina Karpluk, Planning Manager

Approved by: Director of Planning and Development Services & City Manager

TITLE: PAC - Land Development Policy Update (March and April)

DATE: **April 14, 2022**

TO: Planning Advisory Committee

PUBLIC: X

INCAMERA:

RECOMMENDATION:

That the report regarding the Land Development Policy and the initial policy directions discussed by Administration be received as information and filed.

TOPIC & PURPOSE:

The purpose of this report is to provide an update to the Planning Advisory Committee on the discussions that have taken place to date regarding the Land Development Policy and to get their initial feedback.

PROPOSED APPROACH AND RATIONALE:

Background Information for Consideration

Recall that in October 2021, Administration reported to the PAC that they would be working to rescind the current Land Administration Policy and replace it with two new policies:

- The Land Development Policy, which is intended to state or define what the City's role in development (and as a developer) is; and
- The Land Management Policy, which is intended to provide the tools the City uses in its management of land – the how, or the processes by which land is purchased, sold, priced, etc.

At the same meeting, the PAC also discussed two initial questions to help set the stage for the coming policies: 1) How should the City behave as a developer and 2) How should the City price land. Through the conversation that took place, three key themes (or foundational pillars) emerged that have helped form the basis or rationale behind how we wish to see the City behave as a developer: fiscal responsibility (to the ratepayer), social need and economic development.

Over the course of 2022, City Administration will be meeting regularly to:

- work its way through establishing the policy language it recommends the City follow regarding its role in development,

- engage with the public and establish what citizens' expectations of the City are, and
- discuss with the Executive Committee the draft policy language and the results of the public and PAC consultation.

Land Development Policy Meeting Summaries

In February, Administration met to discuss each Department or Division's initial perspectives on the City's rationale behind, or in support of, our future role in land development. We talked about balancing fiscal responsibility to the public/ratepayer with our role (actual and perceived) in municipal, economic development, in supporting social needs and the implications of these factors - they are all generally viewed as financially opposing or competing for funds, but when you consider the overall health of the City, they all have an important role to play (so how do we prioritize or balance these factors when it comes to development?).

Summary of the high level comments provided by Administration at the February meeting:

- As developers, we need to be aware of *all* of the financial costs, short and long term, obvious and more hidden (meaning more or better consultation) in order to be more thoughtful in our approach. This means considering the consequences of price reductions (or paying premium rates) and lost future tax revenue (tax agreements), while also considering setting budgeted limits for things like grant funding or price negotiations, especially when our development decisions can affect things like municipal contributions to reserve accounts (one example).
- We need to be more aware of and communicate municipal capacity (financial resources and personnel), articulating more clearly what the City is capable of doing in house vs. what we do not have the capacity to do (what kind of projects does the City outsource and why).
- Public perception. Are the decisions we make defensible and what is our defense (which is what we intend to establish with this policy)? By clearly stating what people can expect from the City and why (a clear rationale behind what the City's development motives are), we can work to eliminate, or just better mitigate, the competition between different municipal needs (social, economic, fiscal responsibility). When a decision is made that reflects what has been stated is the City's goal, vs. when a decision is made that does not appear to have considered the needs of the day, not only is that more likely result in a better outcome, it shows that the City is aware of its needs, not making decisions in isolation – it provides confidence.
- Liabilities, legal, environmental, etc. Are we fully aware of all of the implications of our development decisions (?)(and this may pertain more directly to the physical development of land and when we buy or sell land).

In March, Administration met again and discussed:

- The timing of our development decisions, specifically land sales and purchases and the related implications,
 - o The concept of speculative land purchases/sales,
- The City's position with respect to negotiations when we act as a buyer or seller,

- Consider hidden costs associated with the time it can take to negotiate the purchase or sale of land (Administrative time), or if it is purchased or sold too soon or too late (lost tax revenue, maintenance costs), and
- Land pricing strategy,
 - Thinking as an equal participant in the market, it is time to better articulate what that means. We need to start addressing the notion that the City should buy land at the highest price (from an individual) and sell/lease/license (to an individual) at the lowest – there are hidden implications to the health of the market when this happens, and, ultimately, the money being spent is ratepayer money (municipal, provincial or federal), so why would we spend it in a way that does not consider/value the cost to its source?

Summary of the high level comments and questions discussed by Administration at the March meeting:

- Balancing the timing of purchasing land with community need and costs. If a municipal project has been planned through one of the City's area, master or servicing plans, we need to establish the ideal (so to speak) timing to buy the land if it isn't already a part of the City's inventory. Things to consider are: the current market price for land, is it high? Low? And the cost implications of having the land in our inventory long term, lost tax revenue, maintenance costs, etc.;
- Should the City participate in speculative land purchases or sales? A Definition of this is required;
 - If the City buys land on speculation, we remove it from a taxable state and become responsible for maintenance. If this is something we choose to do, we need to establish rationale that justifies this lost revenue and added cost;
 - If the City sells land on speculation, it can become taxable and we are no longer responsible for its maintenance. But, is the revenue and reduction in carrying costs enough? We also need to know whether or not we have given up development control of the land and what the implications are if we have;
 - Are we ok with people flipping City land for a profit? Or sitting on it over the long term without building anything?
- Negotiating purchase/sale prices and the costs the City needs to consider. The City needs to start considering or including the cost of staff's time spent on certain types of projects. We can, unintentionally, heavily discount (or over spend on) land transactions or development projects when we don't account/charge for the time we take away from our day to day duties (this goes back to the capacity comment made in March, too). We also need to account for/consider how much time may need to be spent on a project/sale before we move ahead and set a limit – how much time can we afford/is reasonable? We also need to consider who is spending time on certain projects. If the roles surrounding land sales, purchases, development, etc. are more thoughtfully considered and defined, we can ensure that the right staff are spending the time they can/should on a project.
 - Example, in a negotiation situation, does the City spend X number of weeks or months working to lower a price when it might actually cost us more in time spent away from our day to day duties? What is the scale or scope of the project and how does that factor in? We need to establish clear language on how to manage this kind of situation (it might speak to setting a budget and/or it may speak to a

more refined/better defined process that relies on the appropriate parties to do certain work).

- When we establish a pricing model or rationale, we need to be very clear on how we intend to participate in the market. The general consensus (held informally for some time) is that the City is not, or should, not be in the business of land development or sales to compete with or undercut others. The City is, or should be, in the business of supporting the areas of the housing continuum that require support or that are underserved (newer concept). Similarly, the City is, or should, participate in the land market (buying and selling) as an equal member of the market (this means that we will not sell land at the lowest rate to an individual because they expect it of us, nor will we buy land at the highest rate from an individual because they expect it of us). We will buy and sell land at established, defensible market rates as this is the responsible way to participate in the market and manage the ratepayers' funds/investment. Note, there are other factors not mentioned here that can result in price changes and those relate back to the "pillars" the City intends to build its rationale on; along with fiscal responsibility, they are social need and economic development.

Questions to Consider for Today's Meeting

For the sake of our conversation, as Administration seeks input from PAC members on the direction this policy continues to head, please consider the following questions (and, if possible, keep in mind the conversation that took place late 2021 on the same topic – what is (should be) the City's role as a developer and how should the City price land):

- What are your thoughts on establishing more than one particular focus or "foundational pillar" for municipal development – is this overly complex or required?
 - o Consider, is fiscal responsibility, social need and economic development really in completion for funds or are they equally important and require thoughtful balance? (Consider, too, context and at what level these topics are addressed – how focused should the City be on each aspect, what is our level of responsibility, financial obligation/capacity?)
- Assuming the City moves forward with a multi-pillar approach/rationale, how would you propose we balance these factors OR what kind of information should the City provide to, or require from, others in support of development decisions/request (what kind of information, rationale, guarantee, evidence, etc.).

PUBLIC NOTICE:

Public Notice pursuant to Public Notice Bylaw No. 24 of 2015 is not required.

PRESENTATION: Verbal, Planning Manager

Written by: Kristina Karpluk, Planning Manager

Approved by: Director of Planning and Development Services & City Manager