

COCHRANE AFFORDABLE HOUSING STRATEGY



“Building Our Community for the Future”

May 2002

COCHRANE AFFORDABLE HOUSING STRATEGY

Prepared for:

**The Cochrane Affordable Homes
Task Force**

Prepared by:

HOMELAND



PLANNING + COMMUNITY
DEVELOPMENT

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May 2002

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Acknowledgements

The Cochrane Affordable Homes Task Force would like to thank the residents, professionals, business owners, Town of Cochrane staff, and members of Town Council who participated in the numerous activities of the planning process. Your experiences and ideas are at the heart of this Strategy.

The Task Force would like to acknowledge and thank the following individuals and organizations for providing expertise, financial and gift-in-kind support.

Community and Professional Expertise

The Cochrane Women’s Housing Committee

Norm Connolly	<i>Housing Facilitator</i> Canada Mortgage and Housing Corporation (CMHC)
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Financial Support

- **Affordability & Choice Today (ACT) Program**
- **Alberta Real Estate Foundation**
- **Alberta Seniors**
- **Status of Women Canada**
- **United Way of Calgary & Area**

Gift-in-Kind Support

- **Town of Cochrane**
 - Family and Community Support Services
 - Planning and Engineering Services
 - Municipal Services
- **Cochrane Dodge**
- **Cochrane Partnership for Economic Development (CPED)**

A special Thank You to Status of Women Canada for their assistance and guidance in developing the framework and to the Cochrane Women’s Housing Committee who were instrumental in identifying focus groups and for recruiting participants.

For more information about the Cochrane Housing Needs Assessment and the Cochrane Affordable Housing Strategy, contact Cochrane Family & Community Support Services at (403) 932-3400.

Executive Summary

The goal of the Cochrane Affordable Housing Strategy is to facilitate and promote housing opportunities and choices for families and singles of all ages, circumstances, and income levels. Strategies identified for Cochrane are consistent with the Town of Cochrane's Municipal Development Plan (MDP) and with Provincial Land Use Policies. The Cochrane Affordable Homes Task Force recognizes the need for a continuum of housing – a diverse range of housing that meets the needs of *all* community residents.

This document serves as a long-term working guide to help the community achieve continuity in the housing continuum. It is divided into two components: first, the Strategy that contains the implementation initiatives and, second, the Needs Assessment which is found in the Appendix.

The Cochrane Affordable Housing Strategy is based on the findings from the Needs Assessment that identified gaps in Cochrane's housing continuum. The Needs Assessment identifies the existing supply of housing in our community – as well as where that supply is unable currently to meet existing community housing needs. Information was gathered through a combination of quantitative and qualitative analyses, with an abundance of community input. This input was received from the general public, the business community, the housing industry, the municipal government, the faith community, and social service providers. Valuable information was also gleaned from the experience of other communities.

The implementation initiatives address the need to incorporate a more diverse mix of housing to fill the housing gaps that have been identified. The initiatives that the Task Force intends to explore center around seven key themes:

- 1) Establish a Cochrane Affordable Homes Society to implement the initiatives outlined in this Strategy;
- 2) Increase the supply of land available for affordable housing;
- 3) Create incentives for affordable housing;
- 4) Build more affordable housing;
- 5) Seek additional funding for affordable housing;
- 6) Increase household's capacity to purchase a home;
- 7) Identify affordable housing demand in the community.

During this exploratory stage, exploring and prioritizing all possible avenues is important. Additional prioritization and feasibility analyses, to be completed by the Cochrane Affordable Homes Task Force, will determine which initiatives are worthy of pursuing in Cochrane. Recommendations will be brought before Town Council for consideration as they are deemed feasible.

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The Cochrane Affordable Housing Strategy

1.1 Introduction

The community of Cochrane is enriched by a diverse population, which spans the spectrum in terms of age and income and encompasses various types of families and households. A continuum of housing options including types, sizes, price ranges, and tenure options are required to meet the needs of this rich diversity of community members. The Cochrane Affordable Housing Strategy is a blueprint designed to close the gaps in the community’s housing continuum. It is a step toward “building our community for the future”, a community that creates capacity and is sustainable economically and continually strengthened by its greatest resource, its community members.

1.2 The Cochrane Affordable Housing Strategy

In May 2000, Cochrane Family and Community Support Services (FCSS) initiated the formation of the Cochrane Affordable Homes Task Force with the endorsement of Cochrane Town Council. The Task Force was charged with researching additional opportunities to promote affordable housing and making recommendations to Town Council. The work of the Task Force has culminated in the Cochrane Affordable Housing Strategy. Initiatives incorporated within this document are aimed at creating a progressive continuum of housing that meet the affordability requirements of the spectrum of community members. It is understood that complex issues require a commitment to an ongoing process using multi-faceted approaches. All options that have the potential to achieve these goals are considered to have merit. Therefore, all will receive serious consideration in terms of their viable application in Cochrane. All initiatives share the fundamental characteristics of being inclusive and promoting integration within the community.

The Cochrane Women’s Housing Committee, formed in July 2001 as a stipulation of a grant received from Status of Women Canada, is a sub-committee of the Cochrane Affordable Homes Task Force. This committee was charged with ensuring the needs of disenfranchised populations were heard. These populations included single women and

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single mothers, children, aboriginal women, seniors, and persons with disabilities. This enthusiastic group has been a great source of support to the Task Force due to sincere commitment to this community effort. The group has helped to recruit participants throughout the community process and continue to generate exciting new ideas. The Cochrane Women's Housing Committee will continue to assist the Task Force by helping to explore the feasibility of various initiatives identified in the strategy.

1.3 Goal and Purpose of the Strategy

The goal of the Cochrane Affordable Housing Strategy is to facilitate and promote more housing opportunities and choices for families and singles of all ages, circumstances, and income levels. It provides an overall strategy for the community to follow in addressing affordable housing issues through collaboration and partnerships among public, private, and non-profit sectors. Thus, it serves as a long-term working guide to clarify the direction and actions of the Cochrane Affordable Homes Task Force for Town Council, Administration and community residents, in the pursuit of more affordable and diverse types of housing.

It may be possible to implement some of the initiatives in the short-term. Others will require additional background preparation to initiate, or may prove to be inappropriate for Cochrane.

The purpose of this Strategy is:

1. To summarize the key findings of the "Cochrane Housing Needs Assessment" (February 2002), (Appendix B).
2. To identify the gaps in the local housing continuum.
3. To provide implementation initiatives that are aimed at improving the current and future supply of affordable housing. Initiatives will be brought forth to Town Council for approval as deemed appropriate.
4. To initiate or support funding requests to the Provincial and/or Federal Governments and other funding agencies for affordable housing program assistance.

1.4 The Process

The information presented in the Cochrane Affordable Housing Strategy was derived through a lengthy planning process involving a significant amount of community input and research into other community's initiatives to promote more housing affordability. The planning process to

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develop this strategy evolved over a one-year period from March 2000 to March 2001.

Throughout, the Task Force has maintained a strong commitment to community involvement. Public input was received through various venues, open to all community members including Cochrane residents and business owners, members of the local housing industry (developers, builders, REALTORS™, representatives from the financial sector etc.), the faith community, social service providers, the Cochrane Women's Housing Committee, Town of Cochrane staff, and Town Council. These consultations occurred as follows:

- Housing Education Symposium (*March 2001*);
- Cochrane Housing Needs Assessment (*April - August 2001*);
- Housing Industry Workshop #1 (*June 2001*);
- Focus Group Meetings (*October 2001*);
- Community Workshop (*November 2001*);
- Housing Industry Workshop #2 (*December 2001*);
- Community Open House (*January 2002*);
- Draft Cochrane Affordable Housing Strategy (*February 2002*);
- Final Cochrane Affordable Housing Strategy (*April 2002*).

1.5 Partnerships – Public, Private and Non-Profit

Improving the supply of affordable housing in Cochrane requires the collaborative efforts of multiple stakeholders. It cannot be the sole responsibility of one organization, government, business, or individual, but rather an issue that should be shared among the community as a whole.

All three levels of government are responsible for providing leadership, taxation, regulatory, and policy support appropriate to their jurisdictions and mandates. These responsibilities help to provide policy incentives and encourage donation of capital funding from various funding agencies. It is anticipated that all levels of government will provide financial support including gift-in-kind support and/or financial contributions.

The Town of Cochrane has encouraged new affordable housing development through:

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- Establishing housing policies in the *Town of Cochrane Municipal Development Plan, 1998* (MDP). Under the heading of “Social Responsibility and Respect”, Section 5.5 states that “The Town of Cochrane will strive towards a community of respect, tolerance and inclusion for all citizens.”
- Developing new land use policies and districts in the *Town of Cochrane Land Use Bylaw* to facilitate a wide range of housing options.
- Supporting the establishment of both the *Cochrane Affordable Housing Initiative Committee* and the *Cochrane Affordable Homes Task Force*.
- Supporting studies on local housing needs conducted by the above mentioned organizations.

Public-private partnerships among local businesses, builders, developers, the Municipal, Provincial and Federal Governments, and non-profit organizations are important for developing options to fill the gaps identified in the housing continuum. The Cochrane Affordable Homes Task Force will seek direction, support and endorsement from the Municipal Government when establishing working relationships with partners.

The public also plays an important role in helping to identify key concerns. It is of fundamental importance to address all concerns regarding the impact of more diverse housing on the community. Some concerns may be alleviated as community members become more aware of the innovative approaches to integrating more affordable housing into the community. Remaining concerns will be treated with the respect they deserve which is key to this community-building process. Public support is understood to be essential to the success of initiatives aimed at creating an uninterrupted continuum of housing to meet the affordability requirements of community members.

1.6 Structure of this Document

The following chapters are designed to identify the level and type of housing need in Cochrane.

Chapter 2 – The Housing Continuum looks at a “preferred” range of housing for a healthy and sustainable Cochrane community and identifies gaps in the current local housing continuum.

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Chapter 3 – Implementation Initiatives provides a series of possible initiatives aimed at creating a continuum of housing that meets the affordability requirements of the range of community members.

Chapter 4 – “Yesterday” summarizes previous initiatives by the community and the Municipal and Provincial Governments designed to promote more affordable housing.

Chapter 5 – “Today” looks at the current state of housing in Cochrane. It identifies the factors that have led to housing affordability problems in Cochrane and estimates the level of housing need in the community.

Chapter 6 – “Tomorrow” examines the factors that either serve to promote or hinder affordable housing in Cochrane and that will need to be addressed over time.

Appendix A: Interpretation provides a glossary of terms used in this document.

Appendix B: “Cochrane Housing Needs Assessment” (February 2002) provides a detailed analysis of housing needs in Cochrane.

The Housing Continuum

2.1 Introduction

A community's long-term health and sustainability relies in part on its social and economic diversity. Ideally, such a community will support a mix of residents in terms of family status and income levels. These residents will typically require a diverse range of housing types, tenure opportunities and price ranges. Thus, housing in a diversified community occurs along a continuum.

The preferred mix (continuum) of housing types and tenure options cannot be generalized. It is difficult to identify because of the complex combination of factors that influence individual preferences. These preferences can and often do change over time. However, the preferred mix of housing price ranges is more readily identified. The mix is directly related to the range of household income levels in the community. What follows is an evaluation of the housing continuum (mix) in the Town of Cochrane.

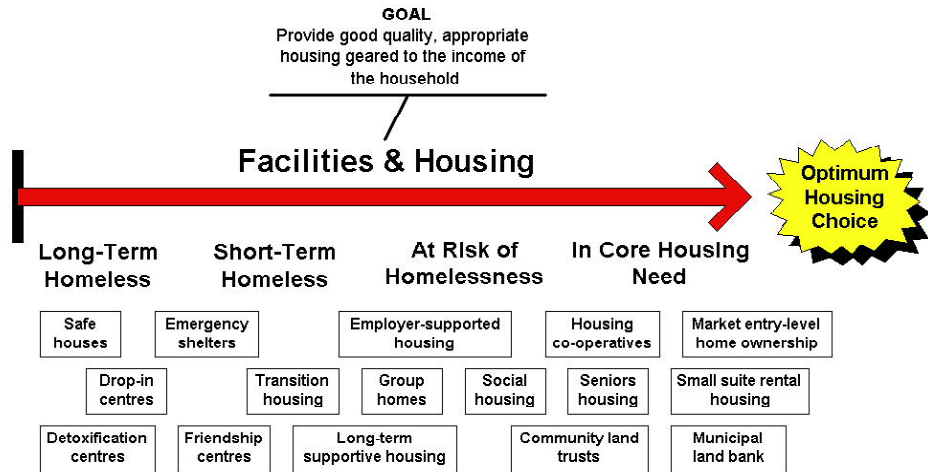
2.2 The Housing Continuum

Housing occurs along a continuum. At one end are those individuals and families experiencing absolute homelessness. At the other end are those individuals and families able to meet their housing needs and other basic needs without difficulty. In the middle is a range of households who live paycheque to paycheque, finding it difficult to make ends meet. CMHC has developed a method to identify a household's ability to afford their housing needs. Those using more than 30% of their before-tax income to meet their housing needs are described as being in Core Housing Need. Anyone, even households on the upper end of the housing spectrum, can be in Core Housing Need.

A variety of catalysts can force a family or individual further down the housing continuum. These can range from those of crisis proportions occurring within the household (job loss, divorce, illness, severe accident, addictions) to changes from outside the household that have a large impact (changes in interest rates, changes to social support payments). In either case, these changes can drastically affect the ability to afford shelter. Figure 1 shows the housing continuum as described by CMHC:

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Figure 1: The Housing Continuum

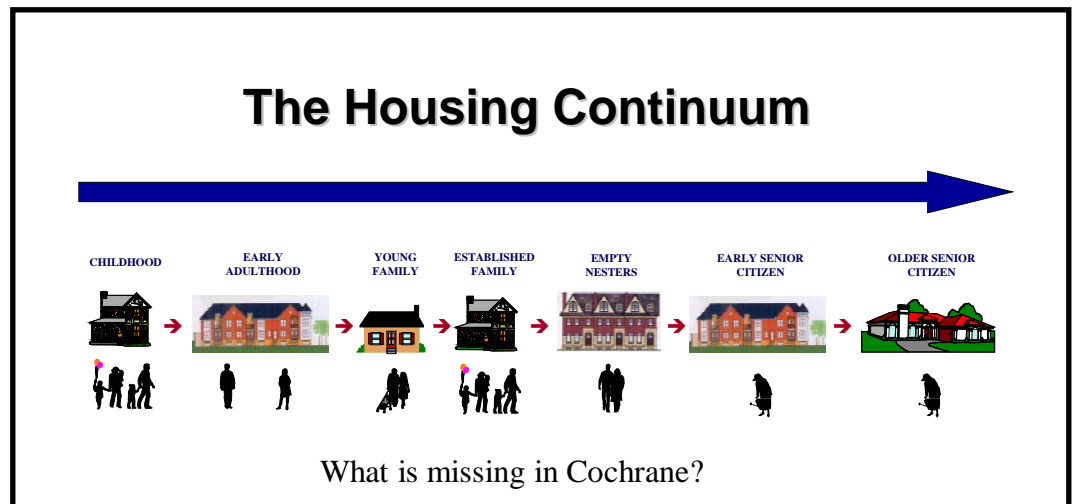


The Housing Continuum ('Bricks & Mortar')

Source: Norm Connolly – Housing Facilitator, CMHC

Figure 2 represents the “typical” middle-class housing continuum that people may move through from childhood to senior adulthood. Cochrane does not currently have an adequate supply of each of the housing types within this continuum to meet the varied needs of its diverse population (age, income, and family structure). Gaps include both rental and ownership options including apartments, condominiums, townhouses, and small/starter homes for families and singles entering the housing market, grown children moving out of the family home, empty nesters, and seniors wishing to downsize.

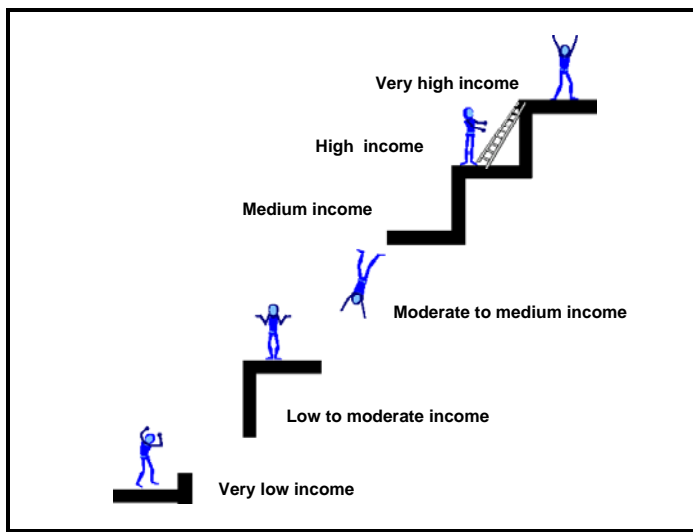
Figure 2: The “Average” Family’s Housing Continuum



Source: Matthew MacNeil

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Figure 3: What Happens when there are Gaps in the Housing Continuum?



Source: Matthew MacNeil

Gaps in the local housing continuum can make individuals or families experiencing any of the above-mentioned changes or crises vulnerable to becoming inappropriately housed. A crisis in health or employment can exhaust the household's equity, savings and support before they are able to qualify for the limited assistance available through social programs. These crises force them to move down the housing continuum. In a community that lacks adequate housing options across the spectrum, bottlenecks or missing steps prevent efficient flowing through the housing continuum. An individual or family forced down the continuum may have to accept inadequate or unsuitable accommodation. There may be no options to move back up the continuum regardless of how hard a family or individual works. If they are unable to reach the stepping stones necessary to allow them to move back up the continuum, they continue to live in inadequate conditions.

The problem is exacerbated in a community like Cochrane where housing choices at the more affordable end of the continuum are very limited. Families and individuals who are unable to secure accommodation within their means may be forced to leave the community and whatever supports that might help them to deal with the crisis/change they are currently experiencing. In extreme cases, the crisis may lead to an individual or family falling through the cracks and hitting bottom, forced off the spectrum entirely and becoming homeless. Once off the spectrum, they will probably find it very difficult to get back on.

Given the limited supply of apartments, condominiums, townhouses, and small/starter homes, it is difficult for low and moderate-income

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households to gradually build equity and move up the continuum. It is similarly difficult for middle-aged households to downsize as their housing needs change (i.e., children moving out of the family home) and for seniors to age in place. Thus, it is important that Cochrane have a range of housing types, price ranges and tenure types to meet the changing needs and circumstances of its residents.

2.3 The Cochrane Housing Continuum

The following analysis looks at the housing continuum in Cochrane based on three categories:

1. Tenure options;
2. Housing types;
3. Housing price ranges.

2.3.1 Tenure Options

The vast majority of Cochrane households own their homes. Table 1 shows the proportion of rental vs. owned homes in Cochrane for 1996, 1999 and 2000. It shows that not only do the majority of households own their homes but the number and proportion of rental units are declining. This decline in the total number of rental units is due to apartments being converted to condominiums and other private homes (e.g., duplexes and fourplexes) formerly available for rent now being sold.

Table 1: Cochrane Tenancy Status (1996 – 2000)

Tenancy Status	N^o. (1996)¹	% (1996)¹	N^o. (2000)²	% (2000)²
Owned	1,925	79.9%	2,928	86.9%
Rented	485	20.1%	430	12.8%
Other	0	0.0%	11	0.3%
Total	2,410	100.0%	3,369	100.0%

¹Source: 1996 Statistics Canada Census

²Source: 1999 and 2000 Cochrane Municipal Censuses

The declining proportion of rental units is reflected in local vacancy rates and average rents. Table 2 shows the vacancy rates and average rental rates for Calgary Zone 10 (of which Cochrane is a part). Normally, a healthy vacancy rate is between 3% and 5%. Vacancy rates of less than 3% mean there is an inadequate supply of rental units. This can lead to increasing rents due to supply and demand. Based on this data, vacancy rates in the communities surrounding Calgary are below 2% for all unit sizes in 2000.

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Table 2: Row and Apartment Vacancy Rates and Average Rents (Zone 10: 1997 – 2000)

<i>Row and Apartment Vacancy Rates (%)</i>				
	1997	1998	1999	2000
Bachelor	0	0	0	0
1 Bedroom	0	0	4.9	1.7
2 Bedroom	0	0.7	2.4	1.9
3 Bedroom +	0	0	0	1.9
Total	0	0.4	2.8	1.7

Source: CMHC Rental Market Survey

NOTE: Calgary Zone 10 includes Airdrie, Beiseker, Chestermere Lake, Cochrane, Crossfield, Irricana, and MD Rocky View

2.3.2 Housing Types

The dominant housing type in Cochrane is the single detached (“single family”) home. Table 3 shows that as a proportion of all dwelling units in the community, the number and proportion of single detached homes continues to increase. The proportion of semi-detached and duplex units has remained stable while the proportion of townhouses and apartments has decreased.

Table 3: Dwelling Types as a Proportion of Total Dwellings in Cochrane (1983 – 2000)

Dwelling Type	1983 ¹	1987 ¹	1990 ¹	1993 ¹	1996 ¹	1999 ²	2000 ²
Single Detached	64%	65%	66%	66%	73%	74%	76%
Semi-Detached/Duplex	12%	11%	10%	11%	11%	12%	12%
Townhouse	6%	7%	5%	7%	4%	2%	2%
Apartment	16%	15%	14%	11%	11%	4%	4%
Manufactured (Mobile) Homes	2%	2%	2%	2%	1%	4%	4%
Other			3%	3%		2%	1%
Total	100%	100%	100%	100%	100%	100%	100%

¹Source: Town of Cochrane Municipal Development Plan

²Source: 1999 and 2000 Cochrane Municipal Censuses

2.3.3 Housing Price Ranges

Average selling prices for homes in Cochrane are among the highest for small communities in the Calgary region (Table 4). Cochrane’s average home prices rate second behind Canmore. According to a newspaper

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article published in the January 24, 2001 edition of the *Cochrane Times*, average house prices in Cochrane exceed those of Calgary.¹

Table 4: Comparison of Average Selling Prices for Homes in Calgary Region Communities (January to March 2001)

Community	Condominium	Residential
Airdrie	\$123,181.00	\$157,283.00
Cochrane	\$145,588.00	\$196,103.00
Canmore	\$184,000.00	\$244,000.00
Okotoks	\$110,633.00	\$167,148.00
Strathmore	\$119,900.00	\$158,429.00

Source: MLS Listings

Table 5 identifies affordable monthly rent and mortgage payments and the associated purchase prices for homes based on a calculated maximum of 32% shelter-cost-to-income ratio. Approximate house prices are based on a five year closed mortgage with a 25-year amortization, 5% down and an interest rate of 7.75%).²

Table 5: Affordable Monthly Payments and House Prices by Income Range

Income Ranges	Affordable Monthly Payments ¹	Approximate House Prices ²
\$0 - \$9,999	\$0 - \$266.64	< \$37,500
\$10,000 - \$14,999	\$266.67 - \$399.97	\$37,500 - \$56,499
\$15,000 - \$19,999	\$400.00 - \$533.31	\$56,500 - \$74,999
\$20,000 - \$24,999	\$533.33 - \$666.64	\$75,000 - \$93,999
\$25,000 - \$29,999	\$666.67 - \$799.97	\$94,000 - \$112,499
\$30,000 - \$34,999	\$800.00 - \$933.31	\$112,500 - \$131,499
\$35,000 - \$39,999	\$933.33 - \$1,066.64	\$131,500 - \$149,999
\$40,000 - \$44,999	\$1,066.67 - \$1,199.97	\$150,000 - \$168,999
\$45,000 - \$49,999	\$1,200.00 - \$1,333.31	\$169,000 - \$187,999
\$50,000 - \$59,999	\$1,333.33 - \$1,599.97	\$188,000 - \$225,499
\$60,000 - \$74,999	\$1,600.00 - \$1,999.97	\$225,500 - \$281,499
\$75,000 - \$99,999	\$2,000.00 - \$2,666.64	\$281,500 - \$375,499
\$100,000 +	\$2,666.67 +	\$375,500 +

¹Source: calculated maximum of 32% shelter-cost-to-income ratio.

²Source: based on a five year closed mortgage with a 25-year amortization, 5% down and an interest rate of 7.75%.

¹ Neil Etienne, "Town Continues to Get More Expensive", *Cochrane Times*, Wednesday, January 24, 2001, p. 3.

² Figures do not include insurance costs, legal fees, etc.

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A detailed estimate of the total number of households within each income range and the percentage of homes (both rental and ownership) available in the community has been derived for 2001. This is provided in the Housing Needs Assessment (see Appendix B). Table 6 shows the data in the form of a bar chart and reveals some interesting features of the Cochrane community and the local housing market. First, there appear to be two distinct housing markets in Cochrane: 1) an ownership market (shown in black) geared predominantly toward households earning \$30,000 and above; and 2) a substantially smaller rental market³ (shown in dark grey) geared predominantly toward households earning incomes between \$10,000 and \$39,999 (however, the lower end of the rental market is geared predominantly toward singles).

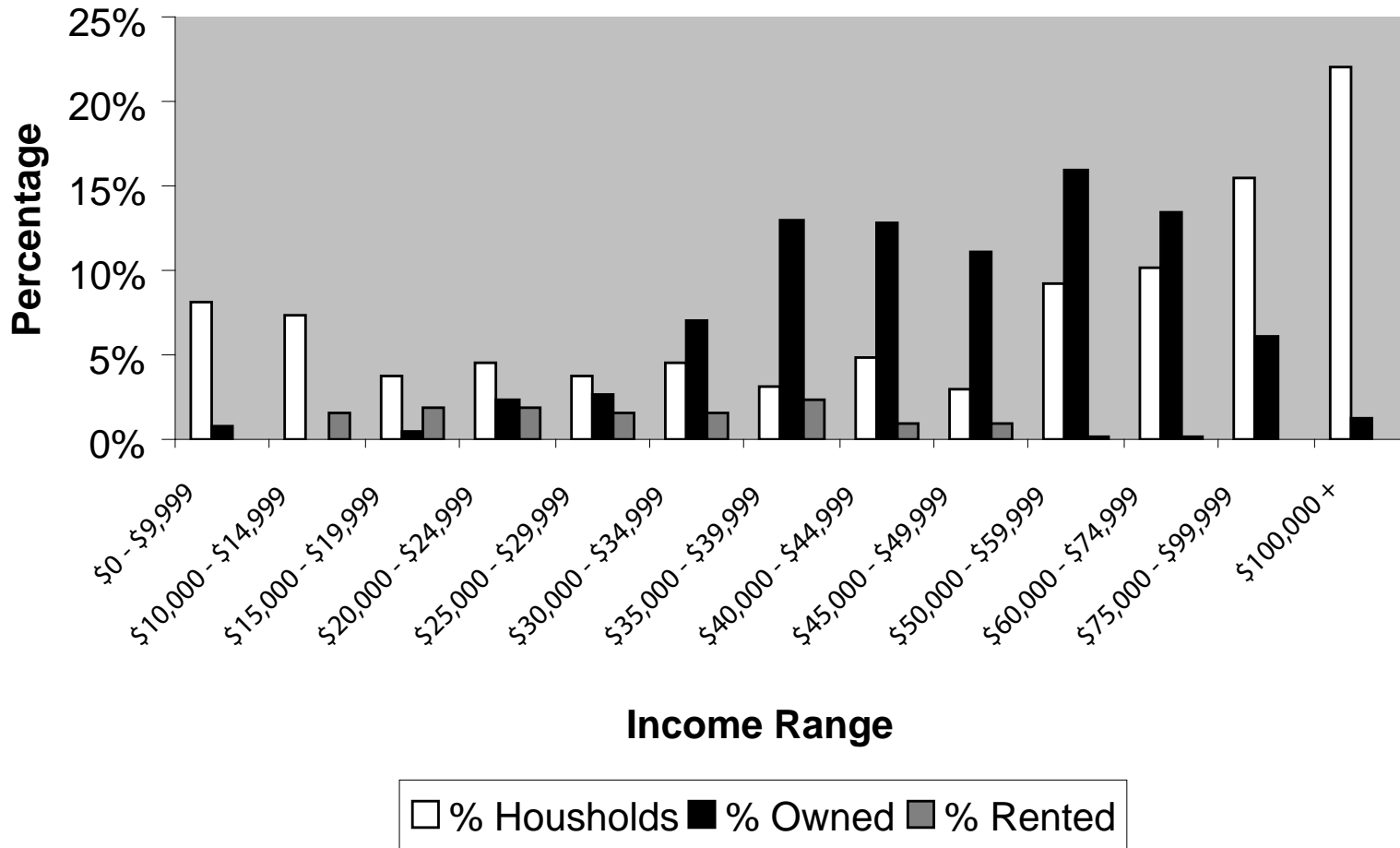
Second, income levels (shown in white) are distributed unevenly across a wide range. The higher proportions of households are also found at either extreme of the income ranges rather than in the middle suggesting income polarization and a shrinking “middle class” (i.e., a community of “haves” and “have-nots”).

Third, high-income households (those households earning \$75,000 and above) appear to be occupying housing that is affordable to those households earning incomes of less than \$75,000, thus limiting the supply of housing available to lower income households. It also indicates that higher income households have more housing choice than those households earning lower incomes and may be competing with the lower income households for more affordable housing.⁴ Therefore, in terms of housing, high-income households appear to be living below their means (i.e., meeting their shelter needs for less than 30% of their before-tax income). Conversely, lower income households appear to be living beyond their means (i.e., these households require more than 30% of their before-tax income to meet their housing needs).

³ According to the 2000 Cochrane Municipal Census, approximately 13% of Cochrane households rent.

⁴ This is a common phenomenon in communities throughout Alberta (references: *Affordability Analysis* prepared for Alberta’s Housing Industry Forums June 9, 2000; and *Edmonton Affordability Analysis* prepared for the Mayor’s Task Force on Affordable Housing, May 1, 2002 – unpublished CMHC reports).

Table 6: Housing Availability in Cochrane for All Households by Income Level (2000)



Source: MLS Listings
 Population projections based on 1995 – 1999 Taxfiler Data
 January – December 2000 Cochrane Times rental survey.

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There are, however, more units available for sale in Cochrane for less than \$90,000 than indicated by the 2000 home sales data. Since 2000, Glenbow Manor has been converted from apartments to condominiums. This has made 36 renovated condominium units available for sale with 1-bedroom units selling for \$69,900 and 2-bedroom units selling for \$89,900. However, this has also resulted in the loss of 36 rental units.

2.4 Housing Needs in Cochrane

Through a combination of quantitative (statistical) and qualitative (resident interviews, focus group meetings and workshops) analyses of housing needs in Cochrane, four main housing needs have emerged:

1. Entry-level market housing (ownership);
2. Near-market housing (ownership and rental);
3. Family and singles oriented social housing (rental);
4. Special Needs Housing (including emergency and transitional shelters).

Entry-level and near-market housing is designed to allow more households to gain entry into the housing market and move up the housing continuum. It also allows established households opportunities to downsize as their housing needs and life cycles change. Social and special needs housing is designed to provide an adequate safety net to prevent local households experiencing crises from falling off the housing continuum.

The exact number of households in need of housing within each of these categories is currently unknown. This is due both to limited available data (e.g., local social service providers do not currently track “turnaways” on a consistent and aggregate basis and the difficulties of conducting a door-to-door survey of household incomes vs. mortgage/rent payments) and to limitations inherent in the available data.

Accessibility will be an important feature in new housing developments so that a variety of housing options are available to seniors and persons with long-term health and activity limitations. For example, features may include wider doorways for wheel chair accessibility, lower counter tops and cupboards or handrails. Another important feature in new housing developments will be the flexibility and diversity of design so that units can be adapted over time to meet the changing needs of local households. A variety of amenities may also be required in new developments to ensure housing is appropriate for both singles and families. A third important feature in new housing developments will be the perpetual affordability of that housing. A number of communities across Canada have developed initiatives to introduce more affordable housing. In some

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instances, however, the affordability of these initiatives is short-term and only benefits the initial purchaser. Once purchased, the homes may rapidly increase in value on the open market. Special agreements such as restrictive covenants or lease agreements through a Community Land Trust will likely be required to ensure perpetual affordability. A fourth important feature in new housing developments will be the appropriate integration of diverse housing types and forms. This is important to reduce the segregation of housing types into isolated pockets that may lead to stigmatization and exclusion.

2.4.1 Entry-Level Market Ownership Housing

The term “entry-level home” is a term used by the Real Estate industry to describe the lowest 25% of homes sold in any given year. In Cochrane, entry-level homes are those priced between \$75,000 and \$149,999 based on total sales from 2000⁵. These homes were affordable to households earning roughly between \$20,000 and \$39,999 annually. However, as data from the 2001 Market Value Assessment indicates, there are a limited number of homes in Cochrane that are affordable to households earning less than \$29,999. While these lower-priced homes exist in the community, sales data for 1998 and 2000 (see Appendix B) indicate that these homes are not readily available for purchase (those households who own lower-priced homes are discouraged from putting their homes up for sale due to the lack of affordable housing alternatives within the community).

Entry-level housing is already being provided by the private housing market. However, as housing prices continue to increase in Cochrane, the bottom price threshold for entry-level housing will also increase, thus reducing the number of homes available for households earning under \$39,999. Furthermore, if interest rates increase, the price of housing that is affordable to households in this income range will decrease. It will therefore be important to encourage local developers and builders to continue providing housing below \$149,999 in order to preserve the stock of housing available for purchase to households earning under \$39,999. This will help to ensure that these households can continue to enter the ownership housing market despite escalating housing prices.

Entry-level housing is considered necessary for young families and singles entering the housing market for the first time, low- and moderate-income families, empty nesters, and seniors looking to downsize. Entry level housing would consist of a variety of housing types (both rental and

⁵ This is consistent with the bottom 25% of all homes available in Cochrane based on the 2001 Market Value Assessment, with the exception of an additional 60 homes (mostly multi-residential and manufactured homes) that are valued at less than \$75,000.

ownership) including small single-detached homes, semi-detached dwellings and duplexes, manufactured homes, townhouses, multi-plexes, and apartments.

2.4.2 Near-Market Rental and Ownership Housing

As Table 6 shows, there is a limited supply of homes readily available for purchase or rent by households earning under \$29,999.⁶ Based on housing price trends from 1998 and 2000, it is expected that the number of homes currently available for purchase by these households is already severely limited. Again, as housing prices continue to climb and if interest rates increase, the number of homes available for purchase by households earning under \$29,999 will further decline.

Near-market housing is based on the lowest end of the entry-level market housing. Housing within this category sells for between \$75,000 and \$112,499 and is roughly affordable to households earning annual incomes of between \$20,000 and \$29,999. Near-market housing is considered necessary for singles and families of all ages who are earning lower incomes. This would include residents employed in lower-paying service and manufacturing industry jobs, lone parents and other single-income households, youth moving out of the family home, and persons on fixed incomes (seniors, persons with long-term health and mobility limitations, etc.).

Near-market housing (both rental and ownership) will likely be in the form of multi-plexes, manufactured homes and multi-residential developments. Providing homes within this price range will likely require special incentives, public-private partnerships, and/or innovative land tenure arrangements.

2.4.3 Family and Singles-Oriented Social Housing

A number of Cochrane families and singles are earning incomes of less than \$19,999 annually. It is unlikely that market ownership housing can be provided at prices these households can afford. These households require rents of less than \$535 per month to be living affordably. Rental accommodations in Cochrane for families with children earning less than \$19,999 are severely limited. Rental accommodations for singles earning less than \$9,999 are virtually non-existent.

⁶ While the 2001 Market Value Assessment does show a limited supply of homes for households earning under \$29,999, it is expected that these homes are not readily available for purchase.

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Families earning less than \$19,999 and singles (including students) earning less than \$9,999 will likely require rent-geared-to-income social housing. However, the community currently does not have any social housing for households other than seniors. Social housing will likely be in the form of multi-residential developments. Important features of new social housing developments will be accessibility and diversity of design to ensure that the housing is appropriate for both singles and families and persons with health or mobility limitations also have access to the housing.

2.4.4 Special Needs Housing

Cochrane currently does not have any special needs housing such as emergency shelters and transitional homes. Cochrane Victim Services has arrangements with two local families to provide a room for women and children fleeing domestic violence when needed.

Individuals and families who find themselves without a home may resort to living in the local campground or in their vehicles (if they possess one). Local social service providers are often required to direct these households to Calgary where the appropriate housing and services are located (e.g., purchasing a bus ticket to Calgary and providing the household with the location and contact information for the nearest shelter).

Special needs housing may take a variety of forms including renovated multi-plexes or single-detached homes. Staff and administration space, accessibility features and special security features may be required. It will be important that the design of this housing blend in with surrounding homes.

Implementation Initiatives

In response to the gaps identified in the housing continuum identified through the Housing Needs Assessment (Appendix B), this section of the Cochrane Affordable Housing Strategy includes a series of implementation initiatives designed to promote more housing diversity and affordability in Cochrane. These initiatives are preliminary suggestions for ways to promote a wider range of housing types, sizes, price ranges, and tenure options to meet the diverse needs of Cochrane residents. Additional prioritization and feasibility analyses to be completed by the Cochrane Affordable Homes Task Force will lead to specific recommendations brought before Town Council for consideration.

3.1 Implementation

Successful implementation of the Cochrane Affordable Housing Strategy will require a central committee or organization dedicated to overseeing the implementation of the Strategy’s recommendations. This committee or organization will work in collaboration with other stakeholders such as the Town of Cochrane Planning and Engineering Services to facilitate the development of appropriate affordable housing in Cochrane.

3.1.1 Establish Cochrane Affordable Homes Society

It is recommended that the Cochrane Affordable Homes Task Force be established as the Cochrane Affordable Homes Society. This society would evolve in three stages as follows:

Stage I: Advisory Role

The initial roles of the Cochrane Affordable Homes Society would be in an advisory capacity as follows:

- **Educating** – provide educational opportunities (workshops, open houses, etc.) to the public and those involved in the local housing industry (e.g., developers, home builders, REALTORS™, mortgage brokers, etc.) to learn about affordable housing Best Practices, local planning rules and regulations pertinent to housing, local NIMBY concerns, and funding opportunities for affordable housing.

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- **Lobbying** – recommend policies, programs and procedures to Municipal, Provincial and Federal Governments that may serve to facilitate affordable housing.
- **Monitoring Housing Needs** – develop and maintain a housing registry for Cochrane and work with the Municipal Government to modify the annual census.
- **Prioritizing Housing Demand** – work with the community to identify housing priorities and recommend strategies to Town Council.
- **Developing Partnerships** – work with private, public, and non-profit sector organizations to build partnerships for affordable housing development.
- **Developing Community** – build capacity among lower-income community members and liaise with local groups, businesses, and the faith community.
- **Funding** – pursue funding opportunities for affordable housing.

Stage II: Administrative Role

As the Cochrane Affordable Homes Society develops credibility within the community and the necessary expertise and capacity, it can **explore** the opportunity for developing homeowner assistance programs and other opportunities to promote more affordable housing such as:

- A Community Land Trust;
- Modification of infrastructure costs and requirements for residential developers;
- Performance Standard Zoning;
- A Home Ownership Education and Training Program;
- A Housing Trust Fund;
- A Downpayment Fund;
- A Rent-to-Own Program;
- A Municipal Land Bank;
- Allocation of a percentage of Municipal and School Reserve lands for affordable housing.⁷

⁷ There are legislative constraints and trade-offs associated with this particular initiative that will need to be explored in further detail to determine whether it is an appropriate and viable option for Cochrane.

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Stage III: Management Role

The third stage of the Cochrane Affordable Homes Society would be to evolve into a housing management body. At this point, the Affordable Homes Society could own and manage affordable rental housing in the community. It could also develop and manage a Home Ownership Education Program, a Housing Trust Fund, a Downpayment Fund, and/or a Rent-to-Own Program if such programs prove to be feasible for Cochrane. As an organization, the Cochrane Affordable Homes Society would seek to partner with the Municipal Government to provide more affordable housing in Cochrane.

In order for the Cochrane Affordable Homes Society to function as a legitimate, effective and sustainable organization, it will need to incorporate and develop both a business plan and communication strategy.

3.1.2 Hire a Full-Time Affordable Housing Coordinator

The community currently has a part-time Housing Project Coordinator funded through a grant from Status of Women Canada who works out of the Town of Cochrane Family and Community Support Services (FCSS) Department. There is the potential for this funding to continue for another term. The Municipal Government could participate in co-funding this position to enable it to become a full-time position. The Housing Project Coordinator would be responsible for:

- identifying and pursuing funding opportunities;
- providing community education;
- researching emerging Best Practices in housing affordability;
- researching the development of housing partnerships;
- providing information about the Residential Tenancies Act;
- developing and managing a housing registry;
- providing ongoing support to the Cochrane Affordable Homes Society.

3.2 Increase the Supply of Land for Affordable Housing

Identifying land suitable for affordable housing will be a necessary step in promoting more affordable housing in Cochrane.

3.2.1 Establish a Community Land Trust

A Community Land Trust is a non-profit, charitable organization that owns land on behalf of the community. The Trust accepts land donations

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from the community-at-large and then leases it to other non-profit organizations that develop affordable housing. By owning the land, the Trust is able to ensure that housing remains perpetually affordable. The Municipal Government currently owns land that could be donated to a Community Land Trust and are encouraged to support the Cochrane Affordable Housing Society in its efforts to explore the feasibility of a Community Land Trust in Cochrane.

3.2.2 Explore Use of Under-Utilized Lands

There are pockets of vacant land (some small and some large) distributed throughout the community (e.g., within Downtown, the Domtar lands and Burnswest sites) that may have potential for development. This may include unused road rights-of-way, odd shaped lots, etc. Some of these lots could be rezoned and used for affordable housing. Other options include promoting more mixed-used developments (i.e., residential above commercial). The Municipal Government is encouraged to promote better use of under-utilized lands.

3.3 Investigate Incentives for Affordable Housing

Planning incentives can help to encourage innovative ways to pursue affordable housing in Cochrane.

3.3.1 Develop an Incentive Formula for Affordable Housing

Incentives would be an important part of an overall strategy to promote more affordable housing. Density bonuses, reduced off-site levies and infrastructure cost-sharing programs could help to encourage more affordable housing. Once formed, the Cochrane Affordable Homes Society is encouraged to work with the Municipal Government and local developers to establish a formula for assigning incentives based on the proportion of affordable housing provided in new subdivisions.

3.3.2 Streamline Regulations and Planning Procedures for Affordable Housing

A number of municipalities across Canada have developed procedures to streamline approvals, to modify standards and requirements that may affect affordability, and to utilize regulatory powers to promote affordable housing. The Municipal Government is encouraged to continue to identify similar opportunities to facilitate affordable housing.

3.3.3 *Develop Annual Affordable Housing Targets*

It is unlikely that the housing affordability imbalance can be addressed immediately. Rather, it should evolve over a period of years so as not to distort the housing market. Annual affordable housing targets would help to encourage more affordable housing development as well as help developers establish reasonable housing ratios. The Cochrane Affordable Homes Society is encouraged to work with the Town of Cochrane Planning and Engineering Services to establish annual affordable housing targets that would include specific housing type and price ranges aimed at low and medium income households whose housing needs are not currently being met. Annual housing targets would be coordinated with the incentive formula.

3.3.4 *Explore “Performance Standard Zoning” for Cochrane*

Performance Standard Zoning is a newly emerging practice in land use zoning as part of Smart Growth strategies. Rather than establishing specific zoning for each individual lot within a subdivision, land use ratios and densities are established for the subdivision as a whole. As long as the development ratios within the subdivision are being met, individual lots do not need to be rezoned when the preferred type of development on those lots changes. This allows more flexibility in the development of individual lots and less cost to the developer. The Municipal Government and the Affordable Homes Task Force are encouraged to explore “Performance Standard Zoning” for Cochrane.

3.4 Build More Affordable Housing

Increasing the supply of affordable housing requires increasing the capacity and willingness of the private industry to build affordable housing. It also requires developing partnerships among the public, private, and non-profit sectors. Involving residents in the planning process will also help to gather public support for affordable housing.

3.4.1 *Educate the Development Industry about Affordable Housing Best Practices*

The Community Workshop had local residents evaluate Best Practices in affordable housing. These included: 1) intensification and infill; 2) manufactured home neighbourhoods; 3) adaptable homes; 4) shared equity partnerships; and 5) Community Land Trusts.

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Educating members of the development industry will likely facilitate the incorporation of these opportunities into the fabric of Cochrane neighbourhoods. The Cochrane Affordable Housing Society will seek opportunities to educate the development industry about these Best Practices, where appropriate.

3.4.2 Continue to Hold Housing Industry Workshops

Two workshops have been held with housing industry representatives as part of the Cochrane Affordable Housing Strategy process. Through these workshops, developers, homebuilders, real estate agents, bank staff, Senior Management Staff for the Town of Cochrane, and landlords were able to identify housing needs and opportunities to meet those needs. The workshops also provided opportunities to build partnerships among groups in the housing industry. The Cochrane Affordable Housing Society will continue to provide these workshops to identify specific opportunities for affordable housing in Cochrane and build on the successes.

3.4.3 Initiate Affordable Housing Partnerships

Partnerships are seen as essential for the development of affordable housing. Partnerships increase the housing expertise available to a group and help spread the risk of developing affordable housing across different sectors and groups. Partnerships are also a requirement of many government funding sources. The Cochrane Affordable Homes Society can facilitate the creation of housing partnerships among public sector, private sector and non-profit agencies for the provision of affordable housing.

3.4.4 Involve the Public in the Planning Process for Affordable Housing

NIMBY opposition remains a significant constraint to affordable housing. Involving the local community early in the planning and development stages of a new project can help to reduce opposition. By doing so, residents are better able to identify and address their concerns, and work cooperatively with developers to ensure affordable housing projects will be attractive and compatible with surrounding homes. As a result, affordable housing will become a community asset.

Residents will also need to participate in deciding what type of affordable housing is appropriate in their individual neighbourhoods and where it should be located. This can be done through the revision of existing Area

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Structure Plans (ASPs) and Area Redevelopment Plans (ARPs) as well as the land use rezoning process.

The Municipal Government and the Affordable Homes Task Force are encouraged to continue involving residents in local planning and decision-making processes.

3.4.5 Ensure that Affordable Housing Developments Comply with Appropriate Controls

Residents have expressed concerns about the appearance and potential negative impacts of affordable housing, including traffic and parking problems, yard and property maintenance, and social problems. The Municipal Government is encouraged to continue to enforce established standards such as design guidelines, traffic calming and Crime Prevention through Environmental Design. It is also encouraged to promote programs such as Crime-Free Multi-Housing.

3.5 Seek Additional Funding for Affordable Housing

External funding support is often required in order to develop lower-cost housing.

3.5.1 Actively Seek Funding for Affordable Housing

Given the high cost of land and homes in Cochrane, additional sources of funding will likely be required to provide affordable housing for low-income households. The Cochrane Affordable Homes Society will actively pursue opportunities for funding and cost sharing to provide affordable housing. Current funding sources may include:

- the federal government's \$680 million affordable rental capital grants program;
- the provincial government's capital funding program for seniors housing (HAPI);
- the Infrastructure Canada-Alberta Program (ICAP) ;
- CMHC's Residential Rehabilitation Assistance Program (RRAP) and Proposal Development Fund (PDF) Loan program;
- The Alberta Real Estate Foundation (AREF);
- Additional sources where available (e.g., Status of Women Canada).

3.5.2 Request Municipal Funding Support

While the Cochrane Affordable Homes Society will continue to pursue outside funding sources and/or in-kind donations, a request will be made to Town Council for start-up funding for the 2003 budget year. If alternative funding is unavailable, a request of up to a maximum of \$48,026.52 will be made to fund a full-time Housing Coordinator based on an annual salary of \$39,366 plus 22% benefits (\$8,660.52) totaling \$48,026.52.

3.6 Increase Capacity Building Towards Home Ownership (Empowering Families)

Lower income households typically devote a far greater portion of their income to shelter and other basic needs (food, clothing, health care, etc.). This means that many lower income households are unable to come up with a downpayment to purchase a home despite paying rents equivalent to mortgage payments. Programs to increase the capacity of lower-income households to save up a downpayment and purchase a home could be developed and implemented.

3.6.1 Develop a Home Ownership Education Program

Home ownership education and counselling has been a popular means of helping renters move into home ownership in the United States since the mid-1990s. Home ownership education and counselling programs assist renter households with overcoming access barriers to home ownership. Typical barriers include:

- Credit problems;
- Lack of savings or downpayment and closing costs;
- Lack of knowledge and understanding regarding the home purchase process;
- Housing affordability relative to households' income levels;
- Lack of knowledge regarding available housing support.

Canada Mortgage and Housing Corporation is currently developing a pilot Home Ownership Education and Training Program (HETP) for community use. The Cochrane Affordable Homes Society will consider implementation of this program in Cochrane.

3.6.2 *Explore Avenues to Facilitate Home Ownership for Low- and Medium-Income Households*

Downpayment Funds can assist lower-income households in coming up with a downpayment on their first home. Rent-to-Own programs allow tenants to build equity over time using their monthly rent. The Cochrane Affordable Homes Society will explore opportunities to develop similar programs in Cochrane.

3.7 Identify Affordable Housing Demand in the Community

Developers and homebuilders study and respond to market forces. While there is currently a great deal of market demand for higher end homes, there may be demand for lower priced homes that is not readily apparent.

3.7.1 *Monitor Changing Housing Needs in Cochrane on an Annual Basis*

In order to keep track of the level of housing need in the community, monitoring changing housing needs annually is necessary. Potential sources of information include:

- Statistics Canada Household Income data (Taxfiler Data) available through the Small Area & Administrative Data Division;
- Vacancy rates and rental rates available through CMHC and Alberta Seniors;
- Rental rates advertised in the *Cochrane Times* and *Cochrane Eagle*;
- Housing starts and housing market forecasts available through CMHC;
- Annual MLS residential sales data available through local real estate agencies; and
- Labour shortage and labour requirements for new industry and businesses available through CPED.

Monitoring changing housing needs may also require a revision of the Town of Cochrane Municipal Census. While the annual census includes questions on housing, more detailed and consistent analysis is required in order to track the number of households paying more than 30% of their before-tax income on housing as well as any other social needs associated with high housing costs. The Municipal Government is encouraged to track housing needs through its Municipal Census. The Cochrane Affordable Homes Society will seek additional opportunities to monitor housing needs on an annual basis.

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3.7.2 *Develop a Housing Registry*

A housing registry will allow the community to monitor housing demand more accurately and on an ongoing basis. The housing registry could have three components: 1) a rental housing registry; 2) a home purchase registry; and 3) a social housing registry.

A rental housing registry would maintain an ongoing database of rental properties available in the community. Potential tenants can either access that database themselves or an administrator can connect potential tenants with rental property owners.

A home purchase registry would amass profiles of households searching for specific types of affordable housing and forward this information to developers to demonstrate market potential. Some local REALTORS™ indicated they do initial surveys of potential clients. The forms used to collect these household profiles could be adapted and the information inputted into a database.

Social service providers could also develop a process to track “turnaways” and incorporate that information into the registry to provide an accurate assessment of local social housing needs.

The Cochrane Affordable Housing Society will develop a local housing registry in partnership with public, private, and non-profit organizations.

**4.1 Previous Affordable Housing Issues
and Initiatives in Cochrane**

The high cost of housing in Cochrane has been a growing concern since the mid-1990s. In response to those concerns, the Municipal Government and the community-at-large established the Cochrane Affordable Housing Initiative Committee (CAHIC) in 1996. The CAHIC’s mandate was “to develop affordable housing policies to be incorporated into Cochrane’s Land Use Bylaw (LUB) and to develop a set of guidelines for policy implementation.”⁸ The CAHIC examined existing housing needs, researched potential housing options to meet those needs, and recommended policy changes to facilitate the preferred housing options. The committee’s recommendations were presented in a final report entitled *Initiatives in Affordable Housing*. The CAHIC recommendations were incorporated into both the *Town of Cochrane Municipal Development Plan, Bylaw #17-98*, and the *Town of Cochrane Land Use Bylaw Number 1/99*.

In May 1996, Cochrane Town Council established the Cochrane Community Strategic Planning Task Force “to begin a process of strategic planning”⁹ for the future of the community. As part of the strategic planning process, the Task Force initiated the *Cochrane Community Survey*. The survey sought input from residents on a number of community-related issues including housing. Recommendations from the *Cochrane Community Survey* were also included in the *Town of Cochrane Municipal Development Plan, Bylaw #17-98*.

4.1.1 Town of Cochrane Housing Policies and Regulations

Based on these past initiatives, the Town of Cochrane *Municipal Development Plan* and *Land Use Bylaw* contain numerous policies and regulations to promote a greater range of housing options and affordability.

⁸ *Initiatives in Affordable Housing*, Cochrane Affordable Housing Initiative Committee Final Report, June 1997 (page 1).

⁹ “Cochrane Community” Survey Final Report, January 1998 (page i).

**4.1.2 Town of Cochrane Municipal Development Plan
Bylaw #17-98**

The following residential objectives and general residential policies are excerpts from the *Town of Cochrane Municipal Development Plan, Bylaw #17-98*:

“8.4.2 Residential Objectives

- (1) To ensure new development areas facilitate a housing mix that will promote housing for all residents regardless of life cycle, family size, or income level.*
- (2) To develop in a manner that will lead to more compact, cost effective and efficient land use forms, while enhancing Cochrane’s small town atmosphere.*
- (3) To ensure sufficient quantities of residential land are available to meet projected housing needs on an annual basis.*
- (4) To facilitate housing innovations in order to achieve Town goals.*
- (5) To encourage the conservation and restoration of historic buildings.*

“8.4.3 General Residential Policies

- | | |
|-------------------------|---|
| Housing Mix | <i>(a) New residential areas will provide an adequate supply of multiple dwelling housing and a mix of dwelling units including single detached, small lot single detached, duplex and semi-detached units.</i> |
| Tenure Mix | <i>(b) A range of tenure options should be available in new residential areas including fee simple, condominium, and rental housing units.</i> |
| Land Competition | <i>(c) In order to enhance consumer choice and competition, a range of residential development areas should be available for development in order to encourage competitively priced dwellings.</i> |

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- Mixed Use** (d) *The introduction of residential dwellings located above commercial and industrial uses will be supported in the downtown, downtown expansion and industrial areas.*
- Manufactured Homes** (e) *Manufactured homes shall conform to the visual standards and architectural design treatments of surrounding residential buildings.*
- Mobile Homes** (f) *Mobile homes shall only be located in comprehensively designed mobile home subdivisions or mobile home communities.*
- Performance Objectives** (g) *The Town should facilitate creative residential developments by providing flexibility and performance driven criteria in the Land Use Bylaw.*
- Creative Design Encouraged** (h) *Creative approaches to site and subdivision design are encouraged.*
- Design Objectives** (i) *In conjunction with the Land Use Bylaw and other policies of this Plan, the urban design objectives as specified in Appendix D: Design Guidelines for Infill and Intensification should be considered prior to subdivision or development.*
- Staff Housing** (j) *The Town should initiate, in partnership with C.P.E.D. And the business community, a strategy to create staff housing opportunities.*
- Affordable Housing** (k) *The Town will work with senior levels of government and interest groups to identify opportunities and to obtain assistance in providing affordable housing.”*

4.1.3 Town of Cochrane Land Use Bylaw Number 1/99

The *Land Use Bylaw* lists a total of 18 land use districts that allow residential uses either as permitted or discretionary uses:

R-1	<i>Residential Single Detached Dwelling District</i>
RS-1	<i>Residential Single Detached Dwelling, Small Lot District</i>
RS-1A	<i>Residential Narrow Lot District</i>
R-2	<i>Residential Single and Two-Dwelling District</i>
R-2X	<i>Residential Medium Density Multi-Unit Dwellings District</i>
R-3	<i>Residential Multi-Unit Dwelling District</i>
R-4	<i>Residential High Density District</i>
R-4S	<i>Special Residential High Density District</i>
MHC	<i>Residential Manufactured Housing Community District</i>
MHR	<i>Residential Manufactured Housing District</i>
MAC	<i>Mature Adult Community District</i>
CB	<i>Central Business District (discretionary use)</i>
CB-1	<i>Central Business District One (discretionary use)</i>
CB-2	<i>Shopping Centre District (discretionary use)</i>
CB-2S	<i>Special Shopping Centre District (discretionary use)</i>
C-RS	<i>Special Commercial Residential Mixed Use District</i>
H-MU	<i>Heritage Mixed Use District (discretionary use)</i>
UR	<i>Urban Reserve District (discretionary use)</i>

The Land Use Bylaw also contains general requirements for *Accessory Suites* and *Garden Suites* in residential districts.

4.2 Provincial Land Use Policies

The suggested Implementation Initiatives outlined in Chapter 3 are also consistent with Provincial *Land Use Policies*.¹⁰ These policies establish residential policies to guide municipalities in their land use planning. As identified in Section 8.0, “Residential Development”, of the *Land Use Policies*, the goal of land use planning for residential development is:

“To contribute to the development of well planned residential communities, a high quality residential environment and to the provision of adequate and affordable housing for all Albertans.”

Pursuant to this goal, the Province has listed six policies, which state that:

- “1. Municipalities are encouraged to identify, in consultation with the local housing industry and local housing associations, the magnitude and scope of the housing need within their communities and to establish land use patterns in response to that need.*
- 2. In establishing land use patterns, municipalities are encouraged to accommodate and facilitate a wide range of housing types.*
- 3. In responding to policies #1 and #2, municipalities are encouraged to provide intensification opportunities within developed areas where existing infrastructure and facilities have adequate capacity.*
- 4. In responding to policies #1 and #2, municipalities are encouraged to accommodate barrier free residences for persons with disabilities and residences in which the provision of care and support for the occupants is possible.*
- 5. In responding to policies #1 and #2, municipalities are encouraged to eliminate any barriers which inhibit the use of housing constructed off site and to accommodate manufactured and modular housing in a fashion which is in harmony with existing or proposed neighbourhood design and architectural development.*
- 6. In responding to policy #1 and the other themes of this section, municipalities are encouraged to review, in cooperation with the land development industry, their current standards and practices with regard to neighbourhood design and residential servicing.”*

¹⁰ Alberta Municipal Affairs, *Land Use Policies*. Established by Lieutenant Governor in Council pursuant to Section 622 of the *Municipal Government Act*, Order in Council 522/96, November 6, 1996.

5.1 Introduction

The lack of affordable housing in Cochrane is mainly an issue of supply and demand where the demand for lower-end market and non-market housing is higher than the available supply. This is due to rapid increases in housing prices and to the limited development of starter homes and multi-unit complexes over the last decade.

This chapter examines the existing state of housing needs in Cochrane. There are a number of reasons why housing prices have increased rapidly in Cochrane over the last decade:

- rapid population growth;
- demographic changes;
- influx of higher income households;
- limited land available for new residential development;
- lower interest rates.

The combination of these factors has resulted in increased house prices and new home construction catering predominantly to the higher-end housing markets. As a result, the overall availability of modest- and low-priced homes has diminished significantly.

The “Cochrane Housing Needs Assessment” (February 2002), Appendix B, estimated the number and type of households most likely to be experiencing housing hardship. Housing need was assessed from three perspectives:

1. Adequacy (basic repair of the home);
2. Suitability (size of the home);
3. Affordability (cost of the home).

In terms of adequacy and suitability, housing in Cochrane is good to excellent. Housing affordability, however, is the greatest issue. The lack of affordable housing is more likely to be an issue for:

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- households that have only one income earner;
- households earning low to moderate incomes (that may or may not be working in the service industry);
- larger households;
- households on fixed incomes.

Status of Women Canada provided additional funding for the Cochrane Affordable Homes Task Force to examine the particular housing needs of the following groups:

- Aboriginal persons;
- Persons with disabilities;
- Seniors;
- Women (single women/single mothers).

These groups were found to be particularly vulnerable to housing affordability, adequacy and suitability problems. In each of these groups, women were found to be the hardest hit, especially single mothers and, by extension, their children.

The impacts of high housing costs and living unaffordably are numerous. A series of focus group meetings and interviews with residents, local businesses, the faith community, and social service providers revealed the effects on Cochrane residents. The stresses negatively affect economic, family, social, health, educational, and emotional well-being, as described in Section 6.2 of the Needs Assessment.

5.2 Housing Adequacy

Adequacy refers to the physical safety of the individual dwelling. Alberta's *Public Health Act* provides a series of conditions in which housing is considered to be inadequate.¹¹ Housing is inadequate if it requires major repairs and/or is lacking the necessary services and basic facilities. Major repairs refer to plumbing, electrical systems, ventilation systems, disposal systems, and the structural components of a house that would warrant it being unsafe. Basic facilities refer to potable hot and cold running water and full bathroom facilities including an indoor toilet and a bathtub or shower. Additionally, housing is not adequate if it is vermin infested.

¹¹ The City of Grande Prairie Housing Needs Assessment Update 1999 (page 8).

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Table 7 compares the number of dwellings in need of major repair for Canada, Alberta, the Calgary CMA, and Cochrane based on the 1996 Census data from Statistics Canada. The figures are based on the combination of two Census Data categories: 1) apartments with five or more storeys; and 2) other dwellings. Other dwellings include semi-detached houses, row houses, other single attached houses, and apartments in a building with less than five storeys.

Table 7: Comparison of Multiple Dwellings in Need of Major Repair (Local, Provincial, and National, 1996 Census Data)

Location	N ^o of Dwellings	% of Dwellings
Canada	266,705	8.1%
Alberta	16,110	6.9%
Calgary CMA	6,430	7.3%
Cochrane	75	3.1%

Source: Statistics Canada 1996 Census

According to the data, housing adequacy in Cochrane is better than regional, provincial and national averages.

Feedback gathered during a series of focus group meetings with local residents suggests that housing adequacy may be more of a problem in Cochrane than the statistics indicate. Residents repeatedly indicated that what constitutes “major repairs” is very subjective. Certain rental properties (apartments) may not be deemed in need of “major repair” according to the statistics but are in very poor condition. Tenants cited the following issues:

- doors without locks (a safety issue);
- thin walls (a privacy issue);
- nails poking out of floors (a safety issue);
- noisy and inefficient heating systems (a comfort and affordability issue);
- poor insulation (a comfort and affordability issue).

5.3 Housing Suitability

Housing suitability refers to the size of the home in terms of bedrooms compared to the number of occupants living in that home. National Occupancy Standards set minimum criteria for number of persons per bedroom and level of privacy for members of a household. These

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standards are reflected in the *Alberta Housing Act*, Regulation 244/94.¹² The *Alberta Housing Act* states:

“8 (3) For the purposes of subsection (2)(a), accommodation is not suitable if

- (a) more than 2 persons must share a bedroom and there is at least 1 individual in each of the other bedrooms,
- (b) an individual, 18 years of age or older, must share a bedroom with another member of the household, unless that individual is married or in a common-law relationship with that member, or
- (c) an individual, 5 years of age or older, must share a bedroom with an individual of the opposite sex.”

According to Statistics Canada 1996 Census Data housing suitability in Cochrane is excellent. A comparison of average household size (number of bedrooms per dwelling) with the average number of persons per dwelling in Cochrane (Table 8) suggests that there is one person per bedroom – well in line with National Occupancy Standards.

Table 8: Average Rooms per Dwelling vs. Average No. of Persons per Dwelling in Cochrane (1996 Census Data)

	Average
Nº of rooms per dwelling	7.35
Nº of bedrooms per dwelling	3.175
Nº of persons in private households	3.1

Source: Statistics Canada 1996 Census

These data, however, are only an assessment of community-wide *averages* (arithmetic means) – *average* bedrooms per dwelling and *average* number of persons in private households. The data does not show individual household circumstances. Estimates of individual household circumstances derived from statistical analyses¹³ indicates that there may be as many as 184 households (5%) living in overcrowded conditions.

Suitability is likely to be an issue for low-income households such as seniors, single mothers, young adults, and persons with disabilities who may not be able to afford housing of the size necessary to meet National Occupancy Standards. These households are likely to be living either with parents or extended family or with other non-family persons (lodgers, roommates, etc.). Data on these households are currently unavailable and will require more detailed, individual sampling of the community.

¹² Cited in the City of Grande Prairie Housing Needs Assessment Update 1999 (page 7).

¹³ Cochrane Housing Needs Assessment, February 2002.

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Discussions from the focus group meetings suggest that housing suitability involves more than just the number of bedrooms. Residents thought that square footage should also be taken into consideration. The belief was that apartments, especially, are not suitable for families even if they have enough bedrooms. Living in cramped conditions can cause considerable stress for families due to the loss of privacy and the need for greater physical separation of activities and family members on occasion. Having separate play space for children to be children is considered important not only for a child's healthy development but for parents' stress levels.

As well, it was indicated that many rental accommodations do not have suitable space for storage (either inside or outside). Also important is having space for a washer and dryer. Laundromats are expensive, especially for families with children.

Thus, while the National Occupancy Standards recognize the need for a certain level of privacy, the Standards may not be realistic given increased privacy needs of many individuals and households.

5.4 Housing Affordability

Housing affordability relates to the ability of individual households to meet their monthly rent or mortgage payments within a reasonable threshold of their income. CMHC has determined that housing is affordable if it costs no more than 30% of a household's gross monthly income for rent or mortgage payments.¹⁴

Three broad factors have influenced housing prices in Cochrane:

- 1) population growth;
- 2) demographic change;
- 3) changing income levels.

These factors have led to a housing supply and demand imbalance.

5.4.1 Population Growth

Cochrane has seen rapid growth over the last decade, due in part to the growth of Calgary and also to the community's highly desirable location in the foothills west of Calgary overlooking the Rocky Mountains. During the 1990s, Cochrane was in the top ten of Canada's fastest growing municipalities with a population over 5,000. According to the Statistics

¹⁴ CMHC also uses 32% if utilities and taxes are included.

Canada 1996 Census, Cochrane ranked seventh in Canada with a total population growth of 41.0% between 1991 and 1996 (Table 9).

Table 9: Growth Rates of Comparable Alberta Communities (1991-1996)

Municipality	1991 Population	1996 Population	Population Growth	% Change	Rank (out of 25)
Canmore, AB	5,681	8,354	2,673	47.1%	5
Cochrane, AB	5,267	7,424	2,157	41.0 %	7
Airdrie, AB	12,456	15,945	3,489	28.0%	22

Source: Statistics Canada, 1996 Census, Daily Report, April 15, 1997

Since 1996, that trend has continued. Between 1996 and 2000, the population of the municipality has increased by an average of 9.4% per year. In that time period, the community grew by 3,749 residents for a total population of 11,173. The recently released Statistics Canada Census Data for the period 1996 - 2001 shows Cochrane as the fastest growing municipality in Canada with a population over 5,000, having grown by 58.9% within this 5-year period.

5.4.2 Demographics

According to the 2000 Cochrane Civic Census,¹⁵ 1,818 households moved to Cochrane between 1995 – 2000. Based on an average household size of 3.0 persons per household, this means that approximately 5,454 new residents have moved to Cochrane in the past five years. Comparing that increase to the total population increase of only 3,749 residents during that same period results in a population turnover over of 1,705 residents. This means that 1,705 residents moved out of the community over the last five years and were replaced by an additional 5,454 new residents. The largest group of in-migrant households moved to Cochrane from Calgary.

This has altered Cochrane’s demographic profile. Throughout the 1990s, Cochrane’s age structure was “constricting.” This is evidenced by:

- a decrease in the proportion of young families (children aged 0 – 9) and young adults (aged 20 – 34);
- an increase in the proportion of middle-age residents (35 – 54) and their children (10 – 19);

¹⁵ It should be noted that it is not mandatory that residents answer every question on the Municipal Census. As a result, the statistics gathered may not be 100% accurate. However, they do provide the most accurate and up-to-date picture available of the Cochrane population on an annual basis.

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- an increase in residents approaching retirement age (55 – 64); and
- a decrease in the proportion of seniors (65+).

There have also been changes to Cochrane’s family structure. The proportions of single persons and lone-parents are increasing while husband-wife households are decreasing. The proportion of families with children is also declining.

5.4.3 Income Levels

Median household incomes for these three family types in Cochrane are higher than both provincial and federal figures (Table 10). Husband-wife families in Cochrane earn on average 21% more than similar families provincially and almost 31% more than husband-wife families nationally. Lone-parent families earn between 19% and 26% more than their provincial and national counterparts. It should be noted, however, that the majority of female-led lone-parent families (90% of lone-parent families in Cochrane) earn significantly less than male-led lone-parent families. According to national averages for 1998, female-led lone-parents earned 38.5% **less** than male-led lone parent families. The median incomes of non-family (single) persons are 6% higher than provincial median incomes and 20% higher than national median incomes.

Table 10: Comparison of 1998 Median Household Incomes (Local, Provincial, and National)

Household Type	Cochrane	% Prov.	Alberta	% Nat.	Canada
Husband-Wife	\$68,600	21.0%	\$56,700	30.7%	\$52,500
Lone-Parent	\$28,600	19.2%	\$24,000	26.0%	\$22,700
Non-Family	\$20,700	6.2%	\$19,500	20.3%	\$17,200

Source: Statistics Canada, Small Area & Administrative Data Division, 1998 Taxfiler Data

The above-average income levels in Cochrane is due in large part to the large number of local residents working in Calgary and earning above-average professional incomes. In 2000, nearly 45% of employed Cochrane residents worked in Calgary. Conversely, as many as 48.5% of Cochrane employees do not live in the community. Many of those workers would prefer to live in the community but are unable to do so in part due to the lack of affordable accommodations within Cochrane.

The results of the Labour Market Assessment (1999) conducted by the Cochrane Partnership for Economic Development (CPED) and Human Resources and Development Canada (HRDC) found evidence that nearly

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one-third of employed Cochrane residents aged 15 and above have Engineering & Applied Science Technologies and Trade as their major field of study. This field of study earns significantly higher than average wages. However, the top four industry sectors for Cochrane are retail trade, followed by educational services, health and social services, and construction.

Thus, Cochrane is home to many high income earning families, yet the community’s local economy is not providing the kinds of jobs with high enough wages for many individuals to be able to afford the increased cost of local housing. This has prompted the observation that “those who live in Cochrane cannot afford to work in the community; those who work in Cochrane cannot afford to live in the community.”

Data on the distribution of incomes show that, despite higher median incomes for all Cochrane family types as compared to their provincial and national counterparts, not all households benefit equally. Table 11 shows projected income ranges of households in Cochrane for 2001 grouped into three broad categories: husband-wife families (which includes common-law couples), lone-parents, and non-family persons. It shows that there are a number of households earning significantly less than the median income.

Table 11: Cochrane Census Families by Total Income (2001 Projections)

Husband-Wife Families

Income	Est. Total	% Total
\$0 - \$9,999	91	3.0%
\$10,000 - \$14,999	35	1.2%
\$15,000 - \$19,999	36	1.2%
\$20,000 - \$24,999	64	2.1%
\$25,000 - \$29,999	54	1.8%
\$30,000 - \$34,999	125	4.1%
\$35,000 - \$39,999	87	2.9%
\$40,000 - \$44,999	126	4.1%
\$45,000 - \$49,999	104	3.4%
\$50,000 - \$59,999	275	9.1%
\$60,000 - \$69,999	291	9.6%
\$70,000 - \$79,999	280	9.2%
\$80,000 - \$89,999	250	8.2%
\$90,000 - \$99,999	252	8.3%
\$100,000 - \$149,999	645	21.2%
\$150,000 - \$199,999	189	6.2%
\$200,000 - \$249,999	61	2.0%
\$250,000+	73	2.4%
Total	3040	100.0%

Table 11: Cochrane Census Families by Total Income (2001 Projections)
(Cont'd)

Lone-Parent Families

Income	Est. Total	% Total
\$0 - \$4,999	50	13.1%
\$5,000 - \$9,999	12	3.1%
\$10,000 - \$14,999	17	4.5%
\$15,000 - \$19,999	34	8.9%
\$20,000 - \$24,999	34	8.9%
\$25,000 - \$29,999	34	8.9%
\$30,000 - \$34,999	28	7.3%
\$35,000 - \$39,999	28	7.3%
\$40,000 - \$44,999	55	14.4%
\$45,000 - \$49,999	12	3.1%
\$50,000 - \$59,999	28	7.3%
\$60,000 - \$74,999	1	0.3%
\$75,000 - \$99,999	16	4.2%
\$100,000+	33	8.6%
Total	384	100.0%

Non-Family Persons

Income	Est. Total	% Total
\$0 - \$4,999	63	5.0%
\$5,000 - \$9,999	162	13.0%
\$10,000 - \$14,999	295	23.6%
\$15,000 - \$19,999	106	8.5%
\$20,000 - \$24,999	115	9.2%
\$25,000 - \$29,999	85	6.8%
\$30,000 - \$34,999	57	4.6%
\$35,000 - \$39,999	35	2.8%
\$40,000 - \$44,999	46	3.7%
\$45,000 - \$49,999	23	1.8%
\$50,000 - \$59,999	127	10.2%
\$60,000 - \$74,999	46	3.7%
\$75,000 - \$99,999	61	4.9%
\$100,000+	28	2.2%
Total	1250	100.0%

Source: Projections based on Statistics Canada, Small Area & Administrative Data Division, 1995 - 1998 Taxfiler Data.

NOTE: In order to protect the privacy of individual household respondents, Statistics Canada suppresses data where there are less than 100 tax filers in a given area or where a particular category contains less than 15 tax filers.

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5.5 Core Housing Need in Cochrane

In order to assess the level of affordable housing need in Cochrane, the Core Housing Need measure developed by CMHC is used. Core Housing Need refers to households who must pay in excess of 30% of their gross income in order to acquire adequate and suitable median-rental housing.¹⁶ The cost of rental housing is used because of the difficulty tracking household mortgage payments, which will vary greatly according to when the home was purchased (which affects the purchase price of the home) and the size of the downpayment.

The “Cochrane Housing Needs Assessment” (February 2002), Appendix B, estimated the number of households that may be in Core Housing Need. Estimates are based on population projections derived from Statistics Canada Taxfiler Data for the years 1995 – 1998. Core Housing Need for non-family persons is based on the 2000 median rent for the combination of shared accommodations, bachelor suites and 1-bedroom units. The median rent required for this size of housing is estimated at \$400/month. This requires a minimum annual salary of \$16,000 (\$8 per hour based on a 40-hour work week) in order to be above the Core Housing Need threshold. A non-family household earning less than \$9,600 would likely be considered to be in Dire Housing Need (that is paying 50% or more of its before-tax income on shelter).

Core Housing Need for lone-parent and husband-wife households is based on the 2000 median rent for the combination of 2-bedroom and 3+-bedroom units. The median rent required for this size of housing is estimated at \$950/month. This requires a minimum annual salary of \$38,000 (\$19 per hour based on a 40-hour work week) to be above Core Housing Need. An annual salary of less than \$23,280 would likely place the household in Dire Housing Need.

Table 12 summarizes the number of Cochrane households earning incomes below the Core Housing Need and Dire Housing Need thresholds:

¹⁶ For this assessment, households in Core Housing Need are those who must pay in excess of 30% of their gross income on the median price of housing that meets their needs for suitability.

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Table 12: Estimated Number of Cochrane Households Likely to be Experiencing Affordability Issues (2001)

Households	Core Housing Need	Dire Housing Need	Core Housing Need	Dire Housing Need
Annual Earnings	\$38,000	\$23,280	\$16,000	\$9,600
Non-Family	--	--	540	210
Lone-Parent	225	135	--	--
Husband-Wife	475	205	--	--

NOTE: Estimates are based on projections derived from 1995 – 1998 Taxfiler Data (numbers are rounded to the nearest '5')

Total number of households in Dire Housing Need is **included in the total number of households in Core Housing Need*

The vast majority of the 1,240 Cochrane households estimated to be in Core Housing Need represent employed singles, families, and retired seniors. Only 99 of these households (8%) were receiving Social Assistance, either Supports for Independence (SFI) or Assured Income for the Severely Handicapped (AISH).

6.1 Introduction

Addressing the affordable housing issue in Cochrane requires a pragmatic appraisal of local opportunities and constraints to incorporating more affordable housing into the community. The community will need to adopt a balanced approach and look primarily to the private market for housing solutions. The following is an overview of the challenges the community will need to overcome in addressing housing affordability and the opportunities available for overcoming those constraints.

6.2 Constraints

The constraints to providing affordable housing in Cochrane fall into four categories:

1. physical constraints;
2. economic constraints;
3. political constraints;
4. social constraints.

6.2.1 Physical Constraints

6.2.1.1 Limited Land Base

There is a limited land base upon which to build housing. Most of the available residential land within established neighbourhoods is already developed. The large tracts of land that are available for residential development are either outside of the Town boundaries or constrained due to costly infrastructure requirements. Initially, new subdivisions may be “closed subdivisions” usually for financing purposes. In these instances, the sale of lots is limited to a few builders who share in the financing of the land. However, after the first six months, the sale of other lots may be opened to other builders. To ensure the integrity of the subdivision, architectural controls are placed on what types of homes can be built.

6.2.1.2 Topographical Constraints

Topographical constraints (floodplains, hills and escarpments) further limit available developable land within the community. Floodplains along the Bow River, Jumping Pound and Big Hill Creeks, reduce the amount of

land available for residential development. Policies prevent slopes greater than 15% from being developed unless detailed engineering studies prove they are stable and fit for residential development.

6.2.2 Economic Constraints

6.2.2.1 Topographical Constraints

Topographical constraints add to housing development costs (floodplains, hills, escarpments). The hilly nature of Cochrane adds to infrastructure costs. The rolling topography also adds to the cost of engineering and site preparation (site clearing, leveling, etc.) for land development.

6.2.2.2 Infrastructure Standards

The Municipal Government maintains City of Calgary infrastructure standards. These infrastructure standards (water, sewer, roads, sidewalks, etc.) are designed to ensure continued safety and quality of life for Cochrane residents and minimize the amount of repairs needed over time. Infrastructure standards add to the cost of land development and thus the cost of individual homes.

6.2.2.3 Town of Cochrane Fiscal Policies

Taxpayers expect governments to maintain balanced budgets and provide services on a cost-recovery basis. User-pay policies have also become the norm for services provided by the government. This means that the Town of Cochrane fiscal policies require individual developers to cover the infrastructure costs of their developments as well as contribute to off-site levies (for water, sewer, recreation, etc.). These costs are passed on to the end consumer.

6.2.2.4 The Housing Market

Housing is a competitive market. Supply and demand factors affect the price of homes. People from the Calgary region want to live in Cochrane due to its attractive location and quality of life. Limited supply and high demand for land and for housing in a competitive market naturally leads to increasing housing prices. Building lower cost homes can be seen as risky. Higher end homes have a well-defined market and typically sell faster than lower end homes. Therefore, financial risk to the developer and homebuilder with higher end homes is less. Building a home requires skilled labour from a number of trades.

The cost of labour is usually determined by union standards but is subject to supply and demand factors. Trades people are typically subcontractors.

Subcontractors expect a certain level of profit from their work. This adds to the end cost of homes. Building a home also requires materials that are subject to supply and demand factors. Increasing lumber prices, etc., increases the costs of building a home.

6.2.2.5 Cost Impediments

Another reason why the private market is not currently building low-cost housing is that the costs of new housing construction are simply too high. It is estimated that new housing construction requires rents of between \$1.00 and \$1.20 per square foot depending on product amenities.¹⁷ Thus, an 800 square foot unit would require a rent of between \$800 and \$960 per month. An 1,100 square foot home¹⁸ would require rents of between \$1,100 and \$1,320 per month, which is generally unaffordable to households earning less than \$44,000 per year. Furthermore, while building taller buildings (4+ stories) is seen as a means of providing more affordable housing, the structural and engineering requirements of 4+ story buildings (steel and cement construction as opposed to wood frames) add significant additional construction costs.

6.2.3 Political Constraints

6.2.3.1 Limited Government Funding

The lower the income level one tries to serve, the deeper the government subsidies that are required. There has been a 10+ year hiatus in Federal and Provincial Government funding for affordable housing. While the Provincial and Federal Governments are beginning to fund housing again, housing programs are limited to the highest need groups (mainly seniors and the homeless). The funds that are available for housing are also limited and competition for these funds is great. Recent Provincial cutbacks may affect funding opportunities for housing. As such, the deep government subsidies necessary to provide housing for the vast number of low and moderate-income families and singles in need are currently not available and will not likely become available any time in the near future (i.e., within the next 5 years).

6.2.3.2 Limited Legislative Authority to Require Affordable Housing

While Provincial *Land Use Policies* encourage municipalities to promote adequate and affordable housing, the *Municipal Government Act* does not give specific authority to municipalities to require affordable housing.

¹⁷ City of Edmonton Low-Income and Special Needs Housing Strategy 2001 – 2011.

¹⁸ Participants in the Families Focus Group meeting indicated that their preferred size of a home was 1,100 ft².

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Municipalities can require that a certain percentage of land be devoted to roads, municipal reserve, and school reserve, but the rules for affordable housing are not as clearly outlined. Municipalities can encourage developers to provide affordable housing, but they cannot require that a developer provide a certain number of units within a certain price range. This means that municipalities need to negotiate with developers and provide incentives to provide affordable housing.

6.2.4 Social Constraints

6.2.4.1 NIMBY

NIMBY (“Not In My Back Yard”) opposition to innovative housing design, affordable housing, multi-residential housing, social housing, and group homes remains an ongoing barrier to affordable housing development in or near established neighbourhoods.

6.2.4.2 Home Buyer Expectations

Housing demand can be divided into housing *need* vs. housing *want*. Homebuyers may expect more than they can actually afford and/or need. The idea of promoting homes that are designed to be adapted and upgraded over time has been met with some opposition from some developers and some members of the banking sector.

6.3 Opportunities

Despite the constraints to affordable housing, numerous opportunities in Cochrane exist.

6.3.1 Political Will

There appears to be significant political will to address affordable housing issues in Cochrane. The Municipal Government also appears to be willing to become actively involved in promoting affordable housing.

6.3.2 Housing Industry Support

There appears to be support from the various sectors of the housing industry to provide more affordable housing in Cochrane. These sectors include developers, homebuilders, real estate agents, and the banks.

6.3.3 Community Support

Many residents appear to support the provision of various forms of affordable housing in both established neighbourhoods and new neighbourhoods. Residents also appear to support active municipal involvement (including the provision of municipally-owned land) in promoting affordable housing.

6.3.4 Social Service Providers

Social service providers in Cochrane have established an effective and highly cooperative means of working together. There may be opportunities for social service providers to join forces to help foster more affordable housing in Cochrane.

6.3.5 Potential for Housing Partnerships

Representatives from the housing industry, local businesses, the Municipal Government, social service providers, and the faith community have all expressed a desire to see more affordable housing in Cochrane. Numerous connections have been made between members of these various groups throughout the Cochrane Affordable Housing Strategy process. These connections open up doors to initiate partnerships to provide affordable housing. Partnerships can help spread the risk across a number of players, thereby, reducing the risk to individual groups.

6.3.6 Funding Opportunities

The Federal Government has developed a \$680 million affordable rental capital grants program that could be used to encourage more affordable rental housing development in Cochrane should the Province of Alberta choose to participate in this program. The Province also has other funding sources for affordable housing including the Healthy Aging Partnership Initiative (HAPI) capital funding program that could be used to encourage more affordable housing for seniors in Cochrane. The Infrastructure Canada-Alberta Program (ICAP) regards affordable housing as a secondary funding priority and could potentially be used to encourage more affordable housing in Cochrane. Canada Mortgage and Housing Corporation (CMHC) administers the Residential Rehabilitation Assistance Program (RRAP), which is designed for upgrading older buildings that would be used for affordable housing.

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These sources provide funding for “bricks and mortar” projects. Other sources of funding may also be available to support initiatives associated with affordable housing development. CMHC offers interest-free Proposal Development Fund (PDF) loans designed to assist non-profit organizations with the preliminary planning (feasibility studies, environmental site assessments, conceptual design, etc.) of affordable housing projects. The Alberta Real Estate Foundation (AREF) has recently announced that it is providing \$1.2 million over the next three years to affordable housing. This funding could be used to assist Cochrane in its efforts to provide more affordable housing. Other charitable organizations may also be interested in supporting various initiatives in support of affordable housing.

Appendix A

Interpretation

Adequate Housing: adequacy refers to the physical safety of the housing based on the *Public Health Act*, Regulation 241/85. Housing is considered to be inadequate if it requires major repairs and/or is lacking the necessary services and basic facilities.

Affordable Housing: housing that is affordable to low and middle-income earners. For a household to be living affordably, it must be able to acquire or maintain adequate and suitable accommodation without paying more than 30% of its total annual income for accommodation (32% if property taxes and utilities are included).

Core Housing Need: as defined by CMHC, a household is in Core Housing Need if it is living in inadequate housing, housing that is unsuitable to its needs, or housing that is unaffordable according to the 30% benchmark.

Household: an economic unit that includes the following broad groups of people:

- Husband-wife and common-law families with or without children;
- Lone-parent families;
- Non-family persons (single adults).

NOTE: two single adults sharing a single accommodation but **not** living as a common-law couple would be considered as **two** households under this definition.

NIMBY: (“Not In My Back Yard”) any collective action taken against proposed change to the local environment (e.g., changing land use zoning, new housing construction, renovations to existing buildings, etc.). Opposition is based on the belief that change will have a negative effect on the character, socioeconomic status, or quality of life in a neighbourhood.

Social Housing: affordable rental housing owned or managed by agencies that receive direct government subsidies/funding to operate projects and provide rent-geared-to-income support.

Special Needs Housing: a range of emergency, staged-transitional and permanent accommodation provided to individuals and families (e.g., less independent seniors, mentally ill persons, persons with substance abuse histories, women leaving abusive relationships) who require support services (e.g., meals, housekeeping) in order to live independently.

Suitable Housing: for housing to be suitable:

- **no** more than 2 persons share each bedroom,
- individuals, 18 years of age or older, are **not** sharing a bedroom with another member of the household, unless that individual is married or in a common-law relationship with that member, or
- individuals, 5 years of age or older, are not sharing a bedroom with an individual of the opposite gender.

Town, Town of Cochrane, Municipality, or Municipal Government: means the municipality of the Town of Cochrane, as defined by the Act. This includes Town Council and Town of Cochrane administration.

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Municipal Government Act, Revised Statutes of Alberta 2000, Chapter M-26, as amended.

Public Health Act, Revised Statutes of Alberta 2000, Chapter P-37, as amended.

Town of Cochrane Municipal Development Plan, Bylaw No 17-98, 1998, as amended.

Town of Cochrane Land Use Bylaw, No. 1/99, February 22, 1999, as amended.

Appendix B

Cochrane Housing Needs Assessment (February 2002)