

# **Attachment E: Housing Accelerator Fund Action Plan**

## **Brandon City Council, January 22, 2024**

### **Initiative No 1. – Zoning Accelerated**

Zoning by-law amendments to modify development standards to reduce public hearings triggered through conditional use or variance processes, including:

- Allowing up to four-plex dwellings as permitted on residential low density zoned interior lots subject to specific lot size, building height, and building setback standards
- Reducing parking requirements for affordable and transitional housing developments
- Increasing the size of one bedroom unit that qualifies for parking reduction to one space per unit

Modifying these standards which commonly trigger conditional use and variance requests (i.e. public hearings) will decrease processing timelines while providing developers/builders greater certainty. The amendments will apply to missing middle housing options and the new parking standards for affordable and transitional housing will increase affordable housing options in the city.

### **Initiative No. 2 – Housing Liaison**

This initiative supports accelerated supply of affordable housing throughout the community and downtown market housing as necessitated by the housing land assembly and housing incentive actions. The housing liaison function will serve to foster relationships with both non-profit and for profit housing providers to meet strategic housing goals for affordable and downtown housing.

In addition to administering housing incentives and programs, the function will serve as a liaison with other City departments as they evaluate and execute potential projects. This role could include clarifying requirements, facilitate problem solving and assisting with community outreach. The function will be formalized by the extension of an existing term housing and wellness programmer position into a full time permanent position and cross training with other employees.

### **Initiative No 3 - Density Bonus**

This initiative will incentivize the creation of smaller one bedroom units and affordable housing units. The proposed density bonus will increase the number of allowable units in RMD zones proportionally as more one bedroom or affordable units are provided.

The affordable density bonus is intended to reduce the market gap for developers to build affordable units. The density bonus along with the related decrease in parking and incentive program should accelerate uptake of affordable housing construction.

As per the Housing Needs Assessment few one bedroom units have been constructed in Brandon over the last 20 years. One person households make up approximately 45% of renter households within the City while bachelor and one bedroom units make up 25% of rental housing supply.

## **Initiative No. 4 - Growing our established areas**

The City of Brandon has been engaging our residents on our new City Plan since May 2022 and one of the key themes is “Growing City” which included discussions on a vision for inclusive mixed housing neighborhoods. One of the items that has come up through the engagement is the need for greater clarity around where increased density should be supported through rezoning and/or conditional use processes. The current policies in the plan are general and do not provide staff and developers clear direction on areas where increased density is more appropriate. This has created frustration and confusion from applicants on what locations will be supported for increases in density.

The proposed initiative will clearly identify policies and criteria to support intensification and increased density with consideration for proximity to transit, active transportation, greenspace, schools, commercial areas, major institutions, major roadways, and lot location on block (corner vs interior). To meet aggressive HAF housing targets, residential corridors will be evaluated for highest and best use concurrently with infrastructure analysis to support larger scale (three and four storey) missing middle housing.

Associated infrastructure analysis and capital budgeting will also be required to ensure the alignment of land use and infrastructure planning.

## **Initiative No. 5 - Housing Incentive**

Providing a predictable housing incentive that aligns with both downtown and affordable housing goals will accelerate housing in both these areas. The initiative will include the creation of a new housing incentive by-law and supporting policy to provide as of right tax off-setting grants and cash incentives for affordable housing throughout the city, and market housing downtown.

The affordable housing incentive will provide differing levels of tax off-setting and cash incentives based on the type (bedrooms) and affordability level of units proposed. The affordable housing incentive will also consider incentives for the retention of aging out existing affordable units at affordable rental rates.

The downtown incentive will provide differing levels of tax off-setting and cash incentives based on the type (bedrooms) and location of development within the downtown. The intent is to evaluate the market gap/risk to development in specific areas and create an incentive package to bridge the gap.

## **Initiative No. 6 – Development Charge Timing**

As part of the Cities overall development charges update the timing of the development charge will be explored. Currently 50% of the development charge is paid at the time of execution of development agreement when a property is zoned and/or subdivided for development. It is a common request from developers to phase contributions at the time of development agreement to preserve cash flow until they are closer to receiving revenue from the sale of lots and/or the construction of buildings.

This initiative will explore the timing of development charges and make a change to defer a greater portion of the charge to a time closer to where the developer is receiving revenue. Options to be explored include phasing the contribution at the time of development agreement (e.g. payment of charge prior to registration of subdivision, payment of charge prior to construction of first lift of asphalt and receipt of construction completion certificate or deferring full charge to the time of building permit.

## **Initiative No. 7 – Housing Land Assembly**

City owned land is an essential tool to facilitate housing opportunities for market housing downtown and affordable housing throughout the city. Historically, the majority of moderate density affordable housing projects have been developed with the City contributing land and funding coming from other levels of government to support not-for profit and for-profit builders to construct and operate affordable housing. Over the years the City has followed our land transaction policy and disposed of the majority of our land holdings for affordable housing. With few holdings left we have limited capacity to continue providing land to facilitate affordable housing opportunities for housing providers in our community.

The housing land assembly initiative will allow the City to increase our prioritization for land acquisition of lands for both affordable housing throughout the City and market housing downtown to align with our new housing incentive and accelerate growth in both these areas. The HAF funding will allow staff to actively pursue land assembly opportunities for both downtown and affordable purposes including acquisition, building demolition, environmental cleanup and infrastructure upgrades to bring land to a shovel ready state. As the City is not a builder, these lands will be made available to not-for profit and for profit groups to develop through market and request for proposal processes. This initiative will be tied to the funding from the HAF program, unless other funding is received from other levels of government.