



COUNCIL – AGENDA REPORT

Meeting Date: 21 January 2025
Subject: Habitat for Humanity Second Funding Request
Directorate: Community Safety and Social Services

Issue:

Council is being presented with a follow up request from Habitat for Humanity for an additional City contribution of \$275,000 in support of their project located in the Airdrie community of Bayview.

Policy / Council Direction:

On August 20, 2024, Council approved a budget adjustment to the Affordable Housing Reserve Fund (AHRF) totaling \$61,000 in support of the Habitat for Humanity project. The funds supported property tax relief (construction period only) and predevelopment costs. Combined with other city incentives from the Airdrie Housing Incentive Program, the City provided a net contribution of \$100,500 towards this non-profit project.

The total funding requested from Habitat for Humanity was \$375,500. The remaining \$275,000 contribution toward project funding was not supported by Administration or Council at the time of the request. Council indicated that if there were challenges in securing the remaining funds required for the project, that Habitat for Humanity could return to Council to request more funds to support the project.

Council approved an allocation of \$830,000 to the Affordable Housing Reserve Fund (AHRF) in the 2025 budget, bringing the AHRF to approximately \$1,469,000. Draws from reserve require Council approval.

Council can allocate funds to affordable housing projects at any time.

Background:

As a non-profit charity housing organization, Habitat for Humanity is building on their successful record of bringing attainable home ownership opportunities to Airdrie. Habitat's new project will provide 11 fee-simple three-bedroom townhomes in the community of Bayview. To qualify for the program, the new owners of these homes will be Canadian citizen working families earning between \$40K - \$60K with children at home. Additionally, the families will contribute 500

volunteer hours. The program offers zero down payment, 0% interest mortgage, and caps monthly payments at no more than 30% of a family's income. Please see *Attachment 1* for additional details on the project.

As identified in the [City of Airdrie 2024 Housing Needs Assessment](#), Airdrie has an extreme deficit of non-market affordable housing opportunities available. The Habitat for Humanity project is addressing targets outlined in Airdrie's [2024 – 2030 Affordable Housing Principled Action Plan](#), Strategic Objective #2: "Increase Housing Delivered by Non-Profit Providers".

Habitat Request:

Habitat is returning to Council to request a further contribution of \$275,000 as outlined in Attachment 2.

Administration's Recommendation:

Administration recommends that Council uphold the original recommendation to support the project through the completed contributions outlined in the chart below, meaning that additional contributions from AHRF funds are not recommended. The basis for Administration's reasoning is that a City of Airdrie Affordable Housing Capital Development Strategy (AHCS) is currently under development and will be presented to Council in Q2 2025. The strategy will identify how the city can best utilize municipal resources towards increasing affordable housing serving community needs. Administration anticipates that the AHCS will identify AHRF as a critical funding source for needed non-market affordable housing *rental* projects in Airdrie.

With limited resources, the City is focused on directing available funds to upcoming replicable, scalable solutions that will deliver sustainable, long-term improvements to the non-market housing supply in Airdrie to help more residents move through the housing continuum. Administration would like for Council to have the benefit of considering the pathway to capital investments that will be outlined in the AHCS before allocating further AHRF funds to the Habitat project.

City of Airdrie municipal contributions for Habitat Project to date			
Amount	Item	Source	Status / Comments
\$39,500*	Building inspections fees waived	Affordable Housing Incentive Policy	Approved – August 2024 Project meets eligibility criteria - No Council action required
\$12,000	grant in lieu of property taxes (construction portion only)	AHRF funds	Approved - August 2024 Council approved budget Adjustment to AHRF
\$49,000	project support including predevelopment costs	AHRF funds	Approved – August 2024 Council approved Budget Adjustment to AHRF
Total: \$100,500			

Council Committee Routed Through:

N/A

Administration Recommendation:

That Council upholds Administration's original (approved) recommendation and does not allocate further AHRF contributions at this time.

Alternatives/Implications:

1. Council could choose to support the additional amount of municipal support for the project to meet Habitat's request of \$275,000 through AHRF funding or other sources as identified by Council.

Budget Implications:

The AHRF currently holds \$1,469,000, and any amounts allocated will reduce the reserve balance, limiting the amount of funds available for other non-market affordable housing projects.

Communications and Engagement:

Communications and engagement with the public on the Habitat for Humanity project are being undertaken by Habitat for Humanity.

Recommendation:

That Council upholds Administration's original (approved) recommendation and does not allocate further Affordable Housing Reserve Fund contributions to Habitat for Humanity at this time.

Monica Labait and Christa Sanders

Staff Presenter:	Monica Labait and Christa Sanders
External Presenter:	Gerrard Oishi, President and CEO of Habitat for Humanity Southern Alberta and Cameron Heke, Vice President, Stakeholder and Community Engagement for Habitat for Humanity Southern Alberta
Department:	Community Safety and Social Services
Reviewed by:	Kevin Weinberger
Attachments:	#1: Habitat Project Description #2: Habitat Second Request