

# **COUNCIL – AGENDA REPORT**

Meeting Date:	2 July 2025
Subject:	Habitat for Humanity – Funding Request
Directorate:	Community Safety and Social Services

#### lssue:

Habitat for Humanity is returning to Council to ask for a funding request of \$275,000 in support of their Bayview project in Airdrie.

# **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 Habitat for Humanity's Bayview project. The funds supported property tax relief (construction period only) and predevelopment costs. Combined with fee waivers provided through the Airdrie Housing Incentive Program, The City of Airdrie provided a net contribution of \$100,500 towards the project.

Habitat's total funding request for the Bayview project was \$375,500. At the time, Council indicated the remaining \$275,000 request was not supported. However, 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.

On **January 21, 2025**, Habitat for Humanity returned to Council to request the remaining \$275,000 in project support funds. Administration did not support the request at the time because work was underway on an Affordable Housing Capital Investment Plan (CIP), which would help guide municipal investment decisions on non-market affordable housing projects. Council upheld Administration's recommendation and did not approve the additional funding request. Council invited Habitat for Humanity to return with the additional funding request once the CIP was completed.

The Affordable Housing <u>Capital Investment Plan</u> was completed in **June 2025**. Developed with Ernst & Young LLP, the CIP aims for a financially viable affordable housing program with limited impact on city debt limits and reduced tax base contributions in the future.

## **Background:**

Airdrie's <u>2024 Housing Needs Assessment</u> identified that Airdrie has an extreme deficit of non-market affordable homes. The Habitat for Humanity project is part of the solution, adding much-needed non-market housing supply. Additionally, the project contributes to the goals in Airdrie's <u>2024 – 2030 Affordable Housing Principled Action Plan</u>, including Strategic Objective #2: "Increase Housing Delivered by Non-Profit Providers".

However, as outlined below, while the current Habitat for Humanity project in Airdrie is a welcome and important addition to our community, the focus of the Affordable Housing team and the City's Affordable Housing Capital Investment Plan is on supporting the long term and sustainable need of non-market rental housing.

As a non-profit charity housing provider, Habitat for Humanity is building on their successful record of bringing affordable 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.

While Administration fully supports the Habitat for Humanity project, there is recognition that the project only addresses a fraction of the city's affordable housing needs. Addressing Airdrie's spectrum of affordable housing needs requires a multi-pronged approach. The CIP outlines this approach with a plan to build a portfolio of non-market affordable homes in partnership with the City's fully owned non-market housing provider, Airdrie Housing Limited (AHL), as well as other providers of non-market rental housing. The plan demonstrates how \$39MM in investment over ten years can create 195 new rental homes serving low- and moderate-income households **and** begin generating an annual net positive cash flow by 2028 if the investment schedule is followed. However, successful implementation of the CIP hinges on AHRF dollars and other investments. In other words, implementation of the CIP relies on existing and future funds in the AHRF. Allocating AHRF funds to other projects or uses would jeopardize achieving the outcomes planed in the CIP, unless those funds are replaced. The AHRF currently holds approximately \$1,469,000.

As with any other non-market housing provider bringing much needed non-market housing to Airdrie, Administration is supportive of Habitat for Humanity's excellent work. Council has also shown support for Habitat's project through previously approving funds to the project. Although Administration is not supportive of dedicating additional funds from the AHRF for the reasons outlined above, Council may consider other means to continue to support this project and any other initiatives the organization brings forward.

# **Council Committee Routed Through:**

This report was not routed through any Council Committee.

# **Administration Recommendation:**

That Council upholds Administration's original (approved) recommendation and does not allocate further Affordable Housing Reserve Fund contributions at this time. Council may also continue to advocate for any and all models to increase non-market housing in Airdrie both federally and provincially.

### **Alternatives/Implications:**

1. Council could choose to support the Habitat for Humanity funding request by approving a budget adjustment to the Affordable Housing Reserve Fund (AHRF) totaling \$275,000, acknowledging that using AHRF funds for this project may jeopardize the outcomes indicated in the City's Affordable Housing Capital Investment Plan.

#### **Budget Implications:**

There are no budget implications with Administration's recommendation.

#### **Communications and Engagement:**

Habitat for Humanity is leading communications and engagement with the public on the Bayview project.

Municipal contributions to the project will be communicated jointly by The City of Airdrie and 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.

ł	Staff Presenter:	Jessica DeVreeze, Team Leader, Affordable Housing	
	External Presenter:	N/A	
	Department:	Community Safety and Social Services	
ł	Reviewed by:	Kevin Weinberger	
l	Attachments:	N/A	

Jessica DeVreeze, Team Leader, Affordable Housing