



HOUSING

COMPREHENSIVE STRATEGY

2019

Annual Housing Update



The following information is meant to provide a high-level overview of housing and related statistics, the role and impact of the City’s housing incentives as well as an overview of steps towards implementation of the City’s Comprehensive Housing Strategy (CHS).

Comprehensive Housing Strategy Overview

The CHS was completed and approved in 2013. The CHS outlines the City’s role in housing, five major housing issues, five goals to address those issues and 35 strategies to positively impact the state of housing in Regina. The CHS can be viewed at Regina.ca.

Why create the Strategy?

The Strategy enables the City to:

- Define and communicate the City’s role in housing.
- Better align policies, programs and assets with current and future housing needs.
- Define the best areas and methods to stimulate the housing market, within the City’s role.

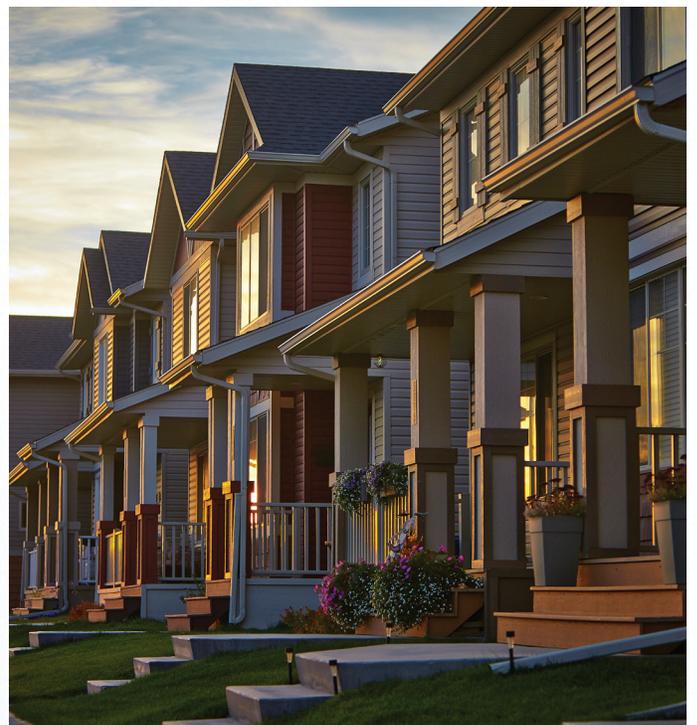
Strategy Implementation

Following the release of the CHS, a Housing Strategy Implementation Plan (HSIP) was approved by City Council in June of 2013. The Implementation Plan includes:

- Steps for implementation
- Timeframes for implementation for short (2013), medium (2014-2015) and long-term strategies (2016-2018)
- City divisions affected or involved
- Anticipated outcomes
- Monitoring, reporting and evaluation techniques

Key Strategy Implementation Actions

Since approval of the CHS, the City has seen progress to address housing issues. Increased development of affordable and market rental housing have helped reduce the housing supply issues that existed when the CHS was approved; however, affordable housing availability and options remain an issue especially for the most vulnerable households.



Housing Strategy Implementation – Current State

The housing situation in Regina has improved since 2013 when the Comprehensive Housing Strategy (CHS) was first completed. Rental vacancy rates have risen and housing prices (ownership) have levelled after substantial increases between 2006 and 2013. Similarly, rental rates (cost to rent an apartment) have stagnated since the mid-2010s when increases were upwards of ten per cent annually in some years.

The economic slowdown from falling commodity prices in 2014, combined with a residential construction boom from the first half of the decade, led Regina's housing market to continue to soften in 2019. There was a significant drop in new housing starts in 2019 with 456 total housing starts in 2019 compared to 1,138 in 2018. Meanwhile the average sales price was \$283,994 for homes in the city, a drop from the 2018 average price of \$301,400. The total number of home sales in the city rose slightly in 2019 compared to a year earlier.

Despite a slowdown in the marketplace, development of affordable units continues at a strong pace with capital grants committed for the development of 157 new affordable rental and 11 new affordable home ownership units in 2019.

To date, implementation has been ongoing for most strategies of the CHS with highlights including:

- **Housing Incentive Program (HIP).** In 2019, City Administration undertook a comprehensive review of the City's Housing Incentives Policy (HIP) to identify revisions to City incentive programs that focus incentives towards Regina's critical housing needs. Taking into consideration current housing conditions, feedback from housing providers and introduction of the National Housing Strategy, Plan to End Homelessness and introduction of an Intensification Levy, the review identified several amendments to the HIP including the creation of an Intensification Levy Rebate, tax exemption program for rental repairs and providing capital grants for affordable housing that includes an on-site support suite. These revisions were approved by City Council in January 2020.

- **Homelessness.** In-kind support for those experiencing homelessness is provided by the City as a member of City Administration sits on the Regina Homelessness Community Advisory Board (RHCAB). On June 20, 2019 a five-year Plan to End Homelessness for Regina was released. The Plan was developed with guidance and support from City of Regina representatives on the Community Leadership Committee and RHCAB.

In 2019, \$1.75 million in federal funding was committed to organizations working on homelessness in the community including \$750,000 for Housing First.

- **Zoning Bylaw.** In August 2019, City Council approved *The Regina Zoning Bylaw, 2019 (No. 2019-19)* to regulate land uses and development consistent with the development goal and objectives of the OCP. The Bylaw came into effect on December 16, 2019. The new Zoning Bylaw removes regulatory barriers to the development of new multi-unit and group care housing, including Strategy (3, 5, 15, 16):

- Removing separation requirements when establishing new Group Care Homes and allowing them in all residential and mixed-use zones as a right.
- Reducing the minimum parking requirements for new Group Care Homes and apartments (stacked buildings containing five or more units).
- Allowing for a reduction in minimum parking requirements where a development is located close to transit.
- Allowing for more diverse housing types by permitting the development of multi-unit residential buildings in more areas of the City.

- **Community Investment Grants Program.** In 2019, the base budget of the Social Development stream of the Community Investment Grants Program was increased by \$200,000 to \$1,192,250. As a result, the City provided \$627,875 in Community Investment Grants related to Housing and Homelessness initiatives compared to \$386,337 in 2018. Recipients included Mobile Crisis Services Inc, Regina Treaty/Status Indian Services Inc, Regina Transitional Home Inc. and other community partners (Strategy 27).
- **Housing Standards Enforcement Team (HSET).** The HSET was relaunched in 2018 with dedicated resources from the core team members. The mandate for the team was revised to focus on improving unsafe and unsanitary housing conditions by conducting comprehensive investigations and inspections of sites where multiple aspects of health and safety have been compromised. HSET leverages the expertise and accompanying legislation of various agencies to ensure compromised sites are enforced to minimum health and safety standards. A dedicated coordinator was appointed to be the primary point of contact and to communicate with stakeholders as required. A total of 57 new cases were opened in 2019 resulting in 43 Orders to Comply issued, six dwellings declared as unfit for occupancy, with five dwellings demolished. The HSET focuses on working with the property owner(s) to achieve compliance (Strategy 13).

- **Partnerships.** There is ongoing communication with the federal and provincial governments, Indigenous and non-profit groups, property owners, developers and landlords to support access to affordable home initiatives and homelessness. A member of the Saskatchewan Housing Corporation (SHC) sits on the Mayor's Housing Commission (MHC) (Strategy 7, 9, 21).

- **Underutilized Land Improvement Strategy.** The Underutilized Land Improvement Strategy was approved by City Council in July 2019. The Strategy identifies actions to start in the immediate, short-, medium- and long-term to address barriers to redevelopment of underutilized sites. Initial actions have been focused on updating the City's regulations to support redevelopment of underutilized sites, exploring opportunities for redevelopment through neighbourhood planning, and implementing the new planning and building software to improve application processes. The Strategy will be monitored and continue to be refined as it is implemented over the next 10 years (Strategy 26, 30).

- **Laneway Suite Pilot Projects.** Three pilot projects were initiated to support the creation of laneway suites as a new form of secondary suites in Regina. The first laneway suites were piloted in select areas within Greens on Gardiner and Harbour Landing. *The Laneway and Garden Suite Guidelines* for established neighbourhoods and pilot project for six infill laneway and garden suites were approved by Council January 2016. One of the six infill units was completed in 2017 and an additional infill laneway suite was near completion by the end of 2018 (Strategy 3, 25).

Housing Strategy Implementation-Challenges

The following issues continue to create housing challenges in Regina.

Core Housing Need - Despite significant gains, there is still work to be done to meet the goals of the CHS with regard to affordable housing. Based on 2016 census data, there were 12,255 households in core housing need in Regina, of which 9,069 households (74 per cent) were due to housing unaffordability. The overall rate of core housing need increased from 12 per cent in 2011 to 13.3 per cent in 2016.

The Plan to End Homelessness for Regina found that between 3,900 to 4,111 low income households are in extreme core housing need, meaning they spend more than 50 per cent of their income on shelter. The Plan to End Homelessness also estimates that between 1,540 to 1,660 individuals slept rough or accessed shelters in 2018.

Housing Repair - As per 2016 Census data, just over seven per cent of housing was reported in need of major repairs. This is down from 2011 data (9.1 per cent) but points to a continued need to preserve and repair existing housing stock. Older units in need of repair are often in established neighbourhoods and located close to services and transit. They also often offer below market rental rates and are less expensive to renovate on a per unit basis than the construction of new units. With increasing rental vacancy rates, there is a risk of older rental stock falling further into disrepair (Strategies 12 and 13).

Increase in Mortgage Arrears - In recent years, the percentage of Regina households that are more than 90 days behind on their mortgage payments increased from 0.31 per cent (about 95 households) in 2015 to 0.62 per cent (about 225 households) in Q4 of 2019. Regina has the second highest rate of mortgage arrears of any Canadian Census Metropolitan Area. This increase can be attributed to sluggish employment growth and decreasing home prices resulting in some households being underwater on their mortgages. For comparison, the average rate of mortgage arrears is 0.3 per cent across Canada and 1.45 per cent in the United States.

City of Regina Housing Incentives Policy

In 2019, capital grants were committed for nearly \$2.5 million in affordable housing developments and since 2013, the City has committed over \$14.53 million in capital grant contributions. Capital grants were approved for 168 units in 2019, of which 157 were affordable rental units (93 per cent).

The capital grant program was oversubscribed by \$420,000 and, as required under the HIP, a project scorecard was used for private sector applications to prioritize available funding towards projects that serve the greatest need. As a result, 20 affordable home ownership and eight affordable rental units were not funded in 2019.

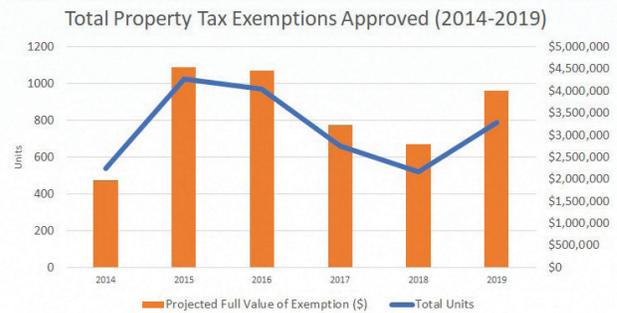
Figure 1: Residential Units Receiving Capital Grants



Source: City of Regina, Incentive Data, 2013 - 2019.

The HIP tax exemption program provides tax exemptions for affordable ownership and affordable rental units, secondary suites and market rental and ownership units in identified existing areas of the city. In 2019, 650 new units received a tax exemption compared to 522 units in 2018. The HIP tax exemption incentives have helped vacancy rates meet and exceed the rental vacancy target established in the CHS of three per cent. With the phase out of tax exemptions for new neighbourhood market rental units that began in 2016, the overall number of units is expected to decline over the next few years.

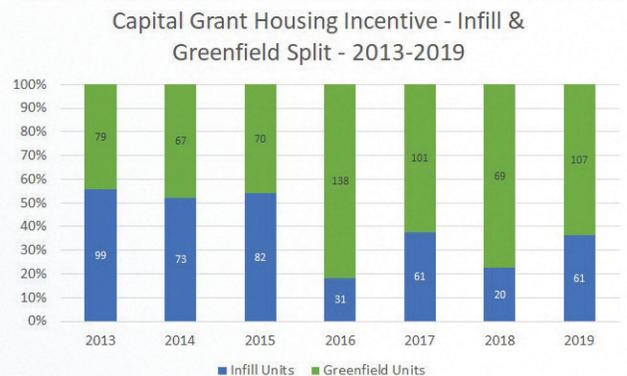
Figure 2: Total Approved Municipal Tax Exemptions – 2014 - 2019



Source: City of Regina, Tax & Assessment, 2014-2019

Between 2012 and 2015, the distribution of capital grants was relatively equal with infill areas typically seeing slightly more capital grants. Beginning 2016, there was a drastic shift towards proposals for capital grants for affordable housing located at the edges of the city in greenfield areas; however, in 2019 this split became more balanced with 36 per cent of units located within established neighbourhoods. Increased development in greenfield areas can be attributed to the emergence of more private developers entering the affordable housing market, an increase in the number of ownership units funded, the challenge of finding land in the city core as well as barriers to infill development.

Figure 3: Capital Grant Housing Incentive – Infill & Greenfield Split – 2012 - 2019



Source: City of Regina, Incentive Data, 2012 - 2019.

Housing Incentives Policy – Project Highlights

The following projects were completed or received funding commitments in 2019.

Haultain Crossing Phase 4

1033 Edger Street

Habitat for Humanity is developing 62 townhouse units in total over the next five years. Haultain Crescent is located on the former site of Haultain School in the Eastern Annex subdivision. The first phase of the development consists of 11 affordable ownership units which have been built and are currently occupied.



Picture 1: Haultain Crossing Phase 4

Gabriel Housing

305 Garnet Street

Capital grants were approved for two single family units containing four-bedrooms and including a secondary suite. The units are geared towards supporting hard-to-house families at a below market rental price.

Avana's George Street Project

3000-3088 George Street

A 45-unit development currently underway, consisting of ten four-plexes and one five-plex dedicated to affordable rental housing for a diverse groups of households.



Picture 2: Avana's George Street Project

Coronation Park Fourplex

314 Angus Street

This infill project developed by Mitchell Jones within the Coronation Park neighbourhood will provide below market rents for four new units.



Picture 3: Mitchell Jones

Housing Data Update

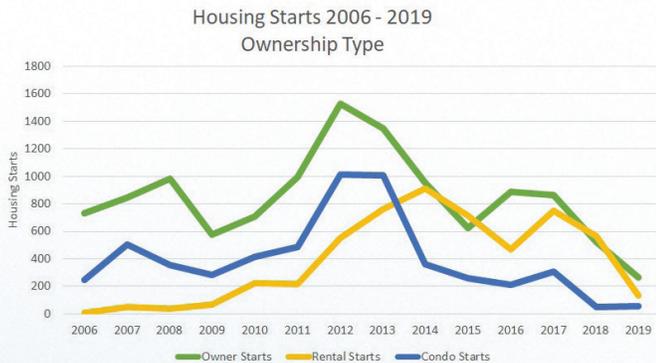
Housing Starts (Rental vs. Ownership)

Overall, there was a significant drop in new housing starts in 2019 with 456 total housing starts in 2019 compared to 1,138 in 2018. Over the previous 10 years, the City of Regina averaged 1,863 total housing starts annually.

There were 133 new rental housing starts in 2019 compared to 565 in 2018. The percentage of rental construction starts in the Census Metropolitan Area (CMA) in 2019 decreased, making up 29 per cent of total starts as compared to only 50 per cent in 2018. Over the previous five years, rental housing starts have made up approximately 40 percent of all housing starts.

There was a total of 232 ownership (including condominium) starts in 2019 compared to 574 in 2018. 164 of the ownership starts were single-detached dwellings, while condominium starts reflected a preference for row housing with 37 units.

Figure 4: Regina Ownership, Rental & Condo Housing Starts – 2006-2019.



Source: Canadian Mortgage and Housing Corporation (CMHC) Market Analysis Centre, Historical Starts by Intended Market.

Rental Starts & Vacancy Rates

Increased rental housing starts over the years have improved the availability of rental housing significantly. The vacancy rate for market rental apartment units remained relatively unchanged in 2019 at 7.8 per cent in the fall of 2019 compared to 7.7 per cent in the fall of 2018. In response to Regina's elevated vacancy rates, the number of new rental housing starts declined for a second straight year in 2019.

Figure 5: Rental Starts & Vacancy Rates – 2008 – 2019



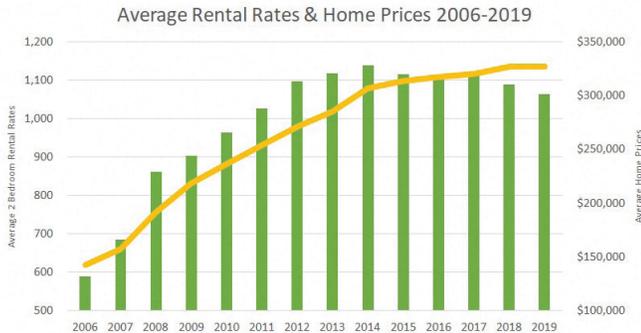
Source: CMHC Market Analysis Centre, Historical Starts and Vacancy Rates by Bedroom Type by Zone.

Rental and Ownership Housing Costs

Regina’s real estate market has cooled significantly since 2013. Average home prices have declined each year since 2014 from \$328,340 to \$301,400 in 2019. The cost of entry-level housing (e.g. townhouses and apartment condominiums) has also decreased in recent years with the average sale price dropping from \$264,000 in 2014 to \$224,800 in 2019 and the average number of days to sell increasing from 53 to 86. The overall decrease in home prices can be attributed to a number of factors including sluggish employment growth, CMHC mortgage stress test regulations and an elevated supply of homes available on the market.

Meanwhile, the average rental rate for a two-bedroom apartment decreased slightly in 2019 to \$1,128 per month compared to \$1,135 per month in 2018.

Figure 6: Average Rental Price vs. Average Home Price – 2008 – 2019.

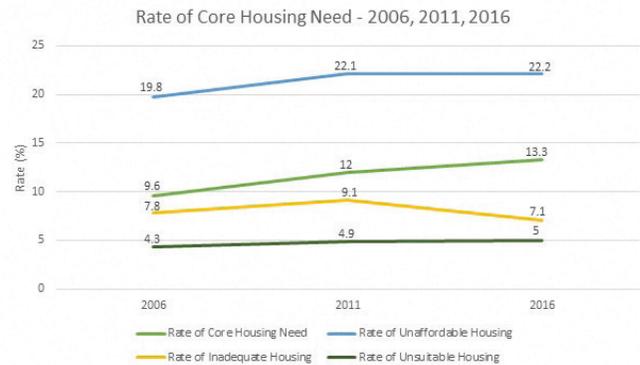


Source: Association of Regina Realtors; CMHC Market Analysis Centre, Average Rent by Bedroom Type by Zone – Regina

Core Housing Need

A household is said to be in core housing need if its housing falls below adequacy, suitability or affordability standards and if the household must spend 30 per cent or more of its total before-tax income to access acceptable housing where all three criteria are met (Statistics Canada). The 2016 National Household Survey (Census) shows that 13.3 per cent of households in Regina are in core housing need, up from 12 per cent in 2011 and 9.6 per cent in 2006. Regina’s 2016 core housing rate is similar to the provincial rate, which stands at 13.4 per cent, but higher than the national rate, which stands at 12.7 per cent.

Figure 7: Rate of Core Housing Need – 2006, 2011, 2016



Source: The Canadian Real Estate Association, Housing Market Stats, National Price Map

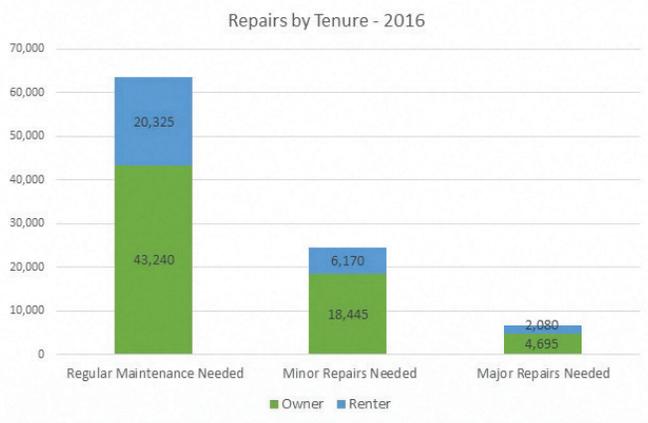
Unaffordable Housing	Housing that costs more than 30 per cent of before-tax household
Inadequate Housing	Housing that requires major repairs, according to residents.
Unsuitable Housing	Housing that does not have enough bedrooms for the size and make-up of residents in households, according to National Occupancy Standard requirements.

Source: Statistics Canada, Core housing need, Census of Canada 2016.

Housing Repairs by Tenure

Based on 2016 Census data, the majority of housing stock in the city (67 per cent) required regular maintenance, 26 per cent required minor repairs and 7.1 per cent required major repairs. The overall number of households requiring major repairs decreased from 9.1 per cent in 2011 to 7.1 per cent in 2016. Approximately 69 per cent of ownership units were reported as requiring major repair, while 30 per cent were rental units.

Figure 8: Repairs by Tenure – 2016

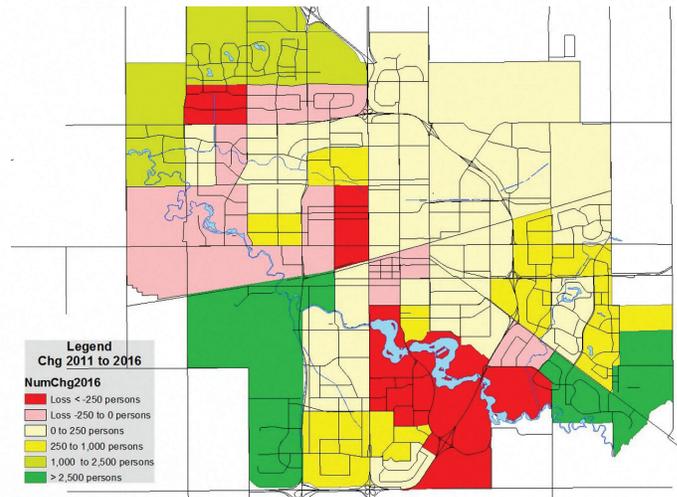


Source: Statistics Canada, Census of Canada 2016.

Population Change by Census Tract

Based on 2016 Census, population growth occurred on the outer areas of the city while some of the inner areas experienced a population loss. The population in new areas such as Harbour Landing and the Greens on Gardiner had the greatest rate of growth, increasing by more than 2,500 people per neighbourhood since 2011. The downtown area, on the other hand, witnessed a decrease in population by 144 persons, a 17 per cent decrease since 2011.

Figure 9: Change in Regina City Population from 2011 to 2016

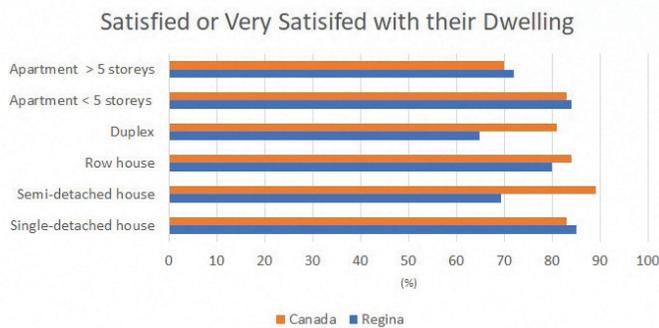


Source: Statistics Canada, Census of Canada 2011 & 2016 by Census District.

Dwelling Satisfaction

In 2019, Statistics Canada began releasing data from its first-ever Canada Housing Survey, which collected information on dwelling and neighbourhood satisfaction, first-time homebuyers, housing affordability and waitlists. Regina residents that lived in single detached dwellings and apartments under five stories were reported to have the highest level of satisfaction with their dwellings.

Figure 10: Dwelling Satisfaction

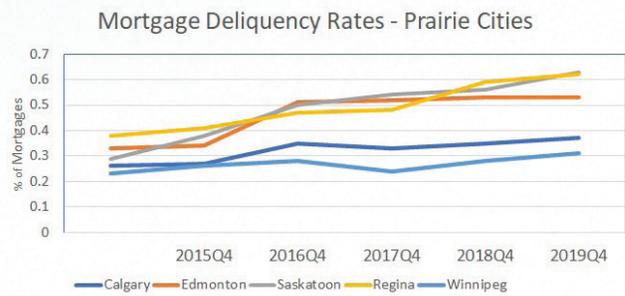


Source: Canada Housing Survey, 2018.

Mortgage Arrears

The percentage of Regina residents that were behind in their mortgage payments continued to increase in 2019. Regina has the second highest rate of mortgage arrears of any Canadian Census Metropolitan Area.

Figure 11: Mortgage Delinquency Rates – Prairie Cities



Source: Statistics Canada, Census of Canada 2006, 2011 & 2016.

Provincial Programs

The provincial government currently provides several programs delivered through the Saskatchewan Housing Corporation (SHC) in support of rental development and repair:

- **Rental Development Program (RDP).** The City's HIP capital grants and tax incentives were designed to be stackable with the RDP. The program provides a one-time forgivable loan for capital funding to assist in the development of affordable rental units for low income households. Funding is delivered in accordance with the principles of the National Housing Strategy (NHS) and supports provincial strategies such as the Disability Strategy, Mental Health and Addictions Action Plan, Poverty Reduction Strategy.
- **Co-Investment Program.** The Co-Investment Program complements the federal government's National Housing Co-Investment Fund. The new provincial program provides 10-year forgivable loans of up to \$27,000/unit for the development of new or repair of existing rental units that are provided at below market rental rates.
- **Home Repair Program.** This program is for low income homeowners or rental property owners who may receive a forgivable loan of up to \$23,000 for modification to be more accessible for a person with a housing-related disability.
- **Shelter Enhancement Program – Renovation.** This provides financial assistance to organizations to repair existing emergency shelters and second-stage housing for victims of family violence so that these projects meet health, safety and security standards.

Federal Programs

The federal government currently provides several housing incentive programs delivered through CMHC under its National Housing Strategy:

- **National Housing Co Investment Fund.** This provides grants of up to 40 per cent and loans of up to 95 per cent of eligible capital costs for the development of new or repair of existing affordable rental housing. Eligible projects must also receive financial or in-kind contributions at the provincial and municipal level.
- **First Time Home Buyer Incentive.** This provides first-time home buyers with a loan up of up to five per cent of a sale price of a resale home or 10 per cent of the sale price of a new home. The incentive will be available until 2021.
- **Affordable Housing Mortgage Loan Insurance.** This provides rental housing providers that construct or repair below market rental housing with flexible mortgage insurance requirements including higher loan-to-value ratios, reduced premiums, loan advances of up to 95 per cent during construction and an amortization periods of up to 40 years.

List of Comprehensive Housing Strategies

Strategy 1	Refine current property tax and capital incentives to target the issue of insufficient supply of rental and affordable housing.
Strategy 2	Leverage the City's land assets to increase the supply of rental, affordable and special needs housing, promote the diversity of housing, and support the creation of complete neighbourhoods.
Strategy 3	Foster the creation of secondary suites.
Strategy 4	Establish an interim innovative affordable housing rezoning policy that allows for consideration of rezoning applications immediately in specific existing residential or mixed use areas.
Strategy 5	Develop policies to support the use of alternative development standards.
Strategy 6	Implement a policy and process to fast-track affordable housing and special needs housing developments through the planning approval process.
Strategy 7	Work with the Regina Regional Opportunities Commission to encourage major new developments/investments to prepare a housing plan.
Strategy 8	Permit density bonusing and transfer of development rights with an aim of increasing the supply of affordable and special needs housing.
Strategy 9	Advocate to federal and provincial governments for additional support for rental, affordable, and special needs housing.
Strategy 10	Monitor changes to the existing rental housing stock.

Strategy 11	Promote and assist landlords and others in accessing existing Provincial housing repair funding.
Strategy 12	Advocate to the federal and provincial governments for additional support for the retention and regeneration of the existing housing stock.
Strategy 13	Develop a strategy for improving compliance with safety and property maintenance standards.
Strategy 14	Explore the option of developing a Regina rental housing repair initiative that involves a revolving fund to provide loans for affordable rental housing repair, and exemptions on incremental taxes due to the repairs/improvements.
Strategy 15	Foster the creation of diverse and economical rental accommodations (Revised Strategy - October 2013).
Strategy 16	Facilitate the creation of additional apartment units through changes to the Zoning Bylaw.
Strategy 17	Establish policies in the Official Community Plan that specify housing targets by type/density, tenure, and affordability; an intensification target; and a rental housing vacancy rate target.
Strategy 18	Add a policy to the Official Community Plan that neighbourhood level plans identify target percentages for different housing types and forms within the neighbourhood (Removed from Implementation).
Strategy 19	Encourage the creation of accessible housing through Official Community Plan policy changes.

Strategy 20	In the Official Community Plan permit housing for persons with special needs, through a range of housing types, in all residential land use designations.
Strategy 21	Add a policy to the Official Community Plan to consult and work with Aboriginal groups to develop affordable housing.
Strategy 22	Add a policy to the Official Community Plan to formalize the city's policy of discouraging down zoning to support an increased diversity of housing options.
Strategy 23	Define attainable and affordable housing in the Official Community Plan.
Strategy 24	Define an adequate land supply in the Official Community Plan.
Strategy 25	Develop and promote prototypes and pilot initiatives of innovative housing forms.
Strategy 26	Support a community outreach initiative to demonstrate the benefits and opportunities of increased density and diversity.
Strategy 27	Continue to support housing and homelessness initiatives through the Community Investment Grants Program and identify ways to allocate funding for maximum community impact.
Strategy 28	Continue to play a lead role in the federal government's Homelessness Partnering Strategy by preparing the Community Plan to Address Homelessness.
Strategy 29	Strengthen Official Community Plan policies related to encouraging a mix of land uses, walkable neighbourhoods, and access to public transportation.

Strategy 30	Support the redevelopment of brownfields, greyfields and bluefields for affordable housing development.
Strategy 31	Prepare an implementation plan for the Comprehensive Housing Strategy and annual reports to monitor achievements and outline annual work plans.
Strategy 32	Consolidate the City's housing functions, build the capacity of staff related to housing, and dedicate staff time to housing facilitation.
Strategy 33	Prepare educational materials and engage in educational outreach about the full range of housing and related funding programs available in Regina.
Strategy 34	Update data in the Comprehensive Housing Strategy when the full 2011 Statistics Canada Census data is released, and adjust strategies as required.
Strategy 35	Play a lead facilitation role in establishing and coordinating a housing and homelessness coalition of community stakeholders as a way of coordinating collaboration, engaging stakeholders, and obtaining advice.
Strategy 36	Over time, update long-range planning documents to be consistent with the Comprehensive Housing Strategy.

