

Affordable Housing Strategy for the City of Lloydminster

January 2019

ISSUE:

The City of Lloydminster does not currently have a municipal housing strategy that would assist the City and/or community-based organizations to develop a meaningful and relevant plan to create social and affordable housing units and access federal and provincial funds to build such units.

BACKGROUND:

Historically, Lloydminster has had a strong and dynamic economic structure and although we are currently experiencing the effects of an economic downturn which has allowed a reprieve in inventory supply, social and affordable housing for existing residents of Lloydminster living both above and below the poverty line, as well as employment seekers to the community, is a concern.

In the past business owners and employers have had an extremely difficult time recruiting and retaining skilled employees and many have resorted to looking out of country to recruit. Lack of housing, of any type, was often cited as the biggest challenge, outside of the actual lack of a pool of potential employees. With the economic downturn vacancy rates have eased, but affordability remains an issue.

The average wage of a Lloydminster resident is \$18.30/hr¹, which has them spending 38% of their wages on shelter. People making an Alberta living wage between \$13.11-\$17.38², would be spending approximately 45% of their budget on shelter making it difficult for people in these categories of employment to maintain their homes, lives and develop into connected and productive members of the community.

For the marginalized and vulnerable members of the community, lack of social and/or affordable housing makes it extremely difficult to access basic and safe living conditions which would enable them to concretely connect to existing support resources and obtain and maintain meaningful employment.

The lack of social and affordable housing, and a municipal strategy related to such, is impacting the City of Lloydminster's business community, community-based organizations, and residents in many ways. Most relevant to this context is in lack of a long-term strategy that sets up the City of Lloydminster for future economic growth, future low vacancy rates, and lack of inventory to sustain the housing market in an accessible manner. A lack of formal strategy also limits community-based organizations, real estate investors and private investors from investing in affordable and social housing units that would lessen the affordability gap.

In Canada, "affordable" housing is if housing costs less than 30% of a household's before tax income. Many people think the term "affordable housing" refers only to rental housing that is subsidized by the government. In reality, it is a very broad term that can include housing provided by the private, public and non-profit sectors. It also includes all forms of housing tenure: rental, ownership and co-operative

¹ <https://www12.statcan.gc.ca/census-recensement/2016/dp-pd/prof/details/page.cfm?Lang=E&Geo1=POPC&Code1=0478&Geo2=PR&Code2=48&Data=Count&SearchText=Lloydminster&SearchType=Begin&SearchPR=01&B1=Housing&TABID=1>

² 1 Living Wage Canada. (2013). Alberta. Retrieved from <http://www.livingwagecanada.ca/index.php/living-wagecommunities/alberta/>

ownership, as well as temporary and permanent Housing.³ Whereas social housing receives some form of government subsidy and applicant's eligibility is based on factors such as income, marital status, dependents, employment, etc.

CURRENT STATE:

- The single most pressing challenge facing the Lloydminster housing sector is the inadequate supply of affordable social housing.
- Currently, the City of Lloydminster and the Province of Alberta are experiencing an economic downturn.
- Availability in the rental market has increased but affordability remains an issue.
- Lloydminster is one of the only communities in Alberta or Saskatchewan of similar size without a formalized housing and homelessness strategy which leaves the community without options to make a change.
- Community stakeholders can be engaged to work collaboratively toward creative and effective solutions.

RECOMMENDATION:

The Lloydminster Chamber of Commerce recommends that:

1. The City of Lloydminster makes affordable housing a clear Council priority.
2. The City of Lloydminster follow the recommendations outlined in the Housing Needs Assessment of March 2018.
3. The City of Lloydminster work collaboratively with stakeholders to develop and adopt a municipal housing strategy.

³ <https://www.cmhc-schl.gc.ca/en/developing-and-renovating/develop-new-affordable-housing/programs-and-information/about-affordable-housing-in-canada>