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Urban Planning Committee
City of Edmonton
1 Sir Winston Churchill Square
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**Re: August 29, 2023 Urban Planning Committee Item 7.1 – “Growth
Management Framework Update – Substantial Completion Standard –
Additional Information”**

Dear Urban Planning Committee and Members of Edmonton City Council,

The Urban Development Institute – Edmonton Metro (UDI-EM) represents 170+ member companies that develop commercial, industrial, residential, and institutional projects in both greenfield and infill contexts for the last 100 years. UDI-EM members have built successful communities to house 1 million residents across Edmonton’s diverse neighbourhoods to date and are ready and capable build communities for the next million. Our industry develops land and real estate to accommodate people in all types of housing, inclusive of new communities where typically younger people and new arrivals from across the province, country, and world settle.

Canada is experiencing a structural housing crisis with the fewest homes per capita of any G7 country. Economically vulnerable Canadians, which include lower to median income households, youth, new Canadians, those aging-in-place, and members of the 2SLGBTQ+ community, are beginning to lose hope that they will ever be able to enjoy home ownership or find suitable rental accommodations to meet their needs in Canada’s largest cities. Last year, the [Canadian Housing and Mortgage Corporation \(CMHC\)](#) estimated that 5.8 million new homes would need to be built by 2030 to bring back market affordability for Canadians – this is 3.5 million additional homes than the 2.3 million that would typically be expected to be delivered over this timeframe. There is a sense of urgency to address this problem nationwide, and Edmonton is no exception. As Canada’s fifth largest city-region, Edmonton needs to move quickly to fill this gap. Earlier this year, both Council and Administration noted their [commitment](#) to this type of collaborative leadership with private and community sectors.

Since 2008, the population of Edmonton has grown from approximately 750,000 people to an estimated 1.1 million within a region of 1.5 million in 2023. This represents an additional 350,000 people who have been housed across Edmonton's varied communities in the last 15 years alone. Looking ahead – particularly as national migration into Alberta and international immigration into Canada escalates – it will be critical to nimbly accommodate this growth and change, and likely much more rapidly than we have in the past. The City Plan sets out a vision to develop and redevelop all parts of the city as efficiently and seamlessly as possible, but this will only work if artificial constraints to the market are eliminated, and no new barriers are introduced.

Administration's report, particularly attachment 3, is based on a misguided assumption that no new homes will be required for development in the Future Growth Area until 2039. The timelines for development are unrealistic relative to past and current market experience in south Edmonton, and there is a strong risk that supply will be negatively impacted by this approach.

Industry's top priority is to ensure that any policy implementation strategies will not artificially constrain housing supply in Edmonton, thereby increasing costs, failing to meet consumer demand, and ultimately making the housing supply picture in Canada even worse.

This type of change would inadvertently reverse Edmonton's course towards being a national leader in this regard. It is discouraging that after 18 months of dedicated dialogue with Administration that no material changes have been made to reflect industry's input. The "roadmap to rooftops" in attachment #3 contains the same high-level growth projections as depicted at the start of the engagement process despite not having been verified through robust secondary analysis. Industry would be happy to continue working on these methodological limitations with Administration over the coming months.

In the past, Council and Administration have indicated a desire to better understand, rationalize, and plan for both capital and operating requirements associated with the build-out of the Future Growth Areas. We share this interest and are committed to finding innovative solutions to reduce the scope and scale of public infrastructure requirements that add costs for individual homebuyers and, ultimately, taxpayers. As your city building partners, this is a significant area of alignment and provides opportunity for ongoing collaboration on [public land use and engineering efficiency](#) (Urban Affairs, May 2023).

The city, metropolitan region, and province are all rapidly growing. The most recent [Edmonton Metropolitan Region Board population forecasts](#) (June 8, 2023) estimate the population of Edmonton proper will reach between 1.3-1.7 million people by 2044, with a medium growth scenario of 1.5 million – this

represents an almost 50% increase over the next 20 years. To match this momentum, we recommend establishing a comprehensive implementation framework for The City Plan to holistically consider how we will plan, service, and develop lands in the Future Growth Area. The substantial completion policy is but one piece of a larger system of actions and priorities required to understand the capital investments that will be required by private investors and public agencies to build complete communities for Edmontonians. The Future Growth Area, as indicated in The City Plan, is critical to this successful outcome. Our specific requests related to the Substantial Completion Standard are as follows:

1. **Sound Methodology.** Any Administrative procedure or standard created to implement City Plan policy 2.3.2.3 must be based on sound methodology and detailed understanding of the Edmonton region's housing market and sub-markets. Previous drafts have revealed significant gaps in this regard. Our industry is committed to working together with Administration to ensure up-to-date information and land absorption forecasts are utilized. If land supply is constrained in south Edmonton, new homebuyers will move into surrounding communities in close proximity such as Beaumont and Leduc, thereby decreasing Edmonton's share of the region's growth overall while maintaining and expanding all big city burdens without the taxbase to support it.
2. **Cutting Red Tape.** Canada is currently experiencing a market housing affordability crisis which different jurisdictions are meeting with exceptional tools, such as CMHC's [Housing Accelerator Fund](#) and provincial legislation in Ontario ([Housing Supply Action Plan](#)) and BC ([Housing Supply Act](#)). We would like to know how Edmonton will lead through this change and how The City Plan's housing affordability target¹ will be achieved to ensure speed-to-market and attainable housing supply.
3. **Preparing for Growth.** Industry would like to see a clear development strategy for the lands south of 41st avenue that were annexed by the City of Edmonton from Leduc County on January 1, 2019. We would like to proactively plan these residential and non-residential lands for growth so they are ready for development when the market demands it. This land was specifically annexed to ensure that Edmonton has [enough room to grow](#), and The City Plan's land development concept (Map 1) reflects this intention. Servicing studies and network planning need to start now to ensure that more detailed planning, design, and development can occur in a timely manner.

¹ City Plan Target: "less than 35% of average household expenditures are spent on housing and transportation" (pg. 25 of [The City Plan](#)).

4. **Investing in Communities.** Industry pays for and builds most aspects of new communities and the City's investment has not been keeping pace. It is concerning that transit extension and parks development provided by the City, for example, continue to lag private investment. We would like to see efforts refocused on providing these core municipal services to enable complete communities.
5. **Engaging Industry Expertise.** There is an agreed-upon lack of real-time expertise within City Administration about real estate development, market dynamics, and land use economics. Industry can help fill this gap through continuous engagement and ongoing collaboration. We would like to be a part of the solution to achieving The City Plan and housing the next million Edmontonians. Edmonton's [Real Estate Advisory Committee](#) was cancelled in 2021 with no replacement forum put into place. We believe there is an opportunity to create a suitable and effective replacement and our membership would be happy to participate.

UDI-EM looks forward to supporting Council and Administration in this crucial work. Collaboration between the public and private sectors could stimulate a significant opportunity to welcome and accommodate new arrivals to Edmonton, while innovating on robust, precedent-setting tools to support housing attainability, growth and development. We encourage Urban Planning Committee to focus on this critical issue of housing supply and prepare the ground for the next million Edmontonians. This will require a combination of infill and greenfield strategies, alike, and a commitment to seeing them through.

Sincerely,
Kalen Anderson



Executive Director, UDI-EM

Patrick Shaver



Chair, UDI-EM Funding and Finance Committee

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