



ALBERTA  
REAL ESTATE  
FOUNDATION

# Enabling Housing Choice Project

What We Heard  
Report

## The Town of Claresholm

SEPTEMBER 2023



RURAL  
DEVELOPMENT  
NETWORK



## LAND ACKNOWLEDGMENT

We, the Rural Development Network (RDN) and the Enabling Housing Choice (EHC) project acknowledge that the Town of Claresholm, Alberta, Canada is located in Treaty 7 territory signed in 1877. This territory is the shared traditional and ancestral home of the Blackfoot Confederacy, consisting of the Piikani, Amksapi Piikani, Siksika, and Kainai Nations, as well as the Tsuu'tina and the Îethka Nakoda Nations, which includes the Chinikii, Bears Paw, and Good Stoney First Nations. We also acknowledge that this territory is home to the Métis Nation of Alberta, Region III.

We acknowledge that we are all treaty people with a shared unity that is tied to the land. Through our work we take part in that responsibility and with our treaty connections. We stand in alliance with all treaty people and take ownership in all that we do, with a mind toward reconciliation now and in our ongoing endeavors.

Furthermore, we acknowledge the ancestors of all Treaty 7 Nations who have lived on this land and their descendants who will continue to live here. We appreciate and honour the traditional Knowledge Keepers and Elders who are with us today and those who have gone before us.

RDN is committed to supporting the implementation of the Truth and Reconciliation Commission of Canada's Calls to Action, and believes in the need for meaningful engagement and consent with Indigenous peoples in the community. Colonialism is a current ongoing process, and we need to build our mindfulness of our present participation. As this project specifically touches on development and planning concepts which are built on a colonial system of governance and land use management, we also recognize that we have more work to unpack the systems in which we are upholding and working within.

While Indigenous community engagement wasn't within the scope of this research, it is our sincere hope that the findings provided in this report will serve to address Claresholm's diverse housing needs and provide greater housing security and inclusion for both Indigenous and non-Indigenous peoples in the community and surrounding area.

## PROJECT ACKNOWLEDGMENTS

Thank you to the Alberta Real Estate Foundation for their funding and support of this project. We would also like to express our appreciation to the Town of Claresholm for hosting the engagement event and helping the Enabling Housing Choice tackle housing diversity and choice.

## Purpose and Process

The purpose of this document is to present a summary of the processes and outcomes of the community engagement research that was conducted with Claresholm developers, landowners, internal staff from the Town of Claresholm and Claresholm's Community Development Committee.

The research process in Claresholm started with general discussions with Town Administration, following the results of Claresholm's Affordable Housing Strategy and Housing Needs and Demand Assessment (2023). The discussions centered on identifying issues around the current housing situation in Claresholm, what factors they felt were affecting or influencing the situation, what types of barriers or concerns they had around housing development, and how they envisioned the research progressing to deliver relevant information and recommendations for them to implement.

The primary method of research for the Enabling Housing Choice (EHC) project in Claresholm involved 2 forms of community engagement:

1. A series of interviews with local developers and internal staff from the Town of Claresholm - conducted between June 21 and August 2, 2023.
2. Online focus group discussions with local landowners, developers, internal staff and Claresholm's Community Development Committee - conducted between July 13 and August 21, 2023.





## 2.0 COMMUNITY ENGAGEMENT

The purposes of the community engagement process in Claresholm were as follows:

**First:** to provide information about housing diversity and choice to residents, developers and other local stakeholders. By doing so, we were hoping to broaden our understanding of how these groups perceive housing diversity and how it could benefit their community.

**Second:** to collect information and feedback from developers, landowners, and other stakeholders about both the challenges and accomplishments they've experienced in providing housing in the community - whether the housing they've provided has been diverse, affordable, or otherwise.

**Third:** to foster community buy-in and support for increasing housing diversity and choice in their community. Our thought is that by increasing housing diversity in the community, housing affordability will also be affected positively.

The intention of this document is to provide a summary of the information collected by the Enabling Housing Choice (EHC) team through the engagement processes outlined above and described in the following sections. It should be noted that the results outlined below are not necessarily endorsed by the Town of Claresholm, nor are they deemed to reflect the views of the Town administration.

### 3.0 DEVELOPING THE QUESTIONS AND DISCUSSION GUIDE

The interview questions were developed using a variety of means. First, the Enabling Housing Choice (EHC) team conducted a literature review of Claresholm's planning, development and building bylaws, policies and strategies, to better understand how housing development was being administered at the time. Next, these documents were discussed with Town Administrators, where the discussion focused on how the documents were being used in the Town, what the group thought were the most pressing issues to be addressed, and which documents or processes might require amendment.

From the research, and discussions with Town Administration, the interview questions were prepared by the EHC team. The interview questions were reviewed with Town Administration and amended to reflect their suggestions.

Questions for the focus groups were also developed from ongoing discussions with Town Administration, in order to obtain insights and feedback on questions that were relevant to focus group participants' expertise and experience.

The full guides and questions for the interviews and focus group are provided in Appendix 2, 3, and 4.



## 3.2 KEY ACTOR INTERVIEWS

Key actor interviews were conducted over a 5-week period between June 21 and August 2, 2023. During this time, 4 interviews were conducted with developers, home-builders and internal staff from the Town of Claresholm.

The process for external participant interviews was consistent throughout the research time-frame. First contact with the potential interviewee was made by Town Administration. The EHC team provided a template email to Town Administration that outlined information about the research being conducted, introduced the EHC team, and requested an interview. If the recipient agreed, one of the EHC team members set up an interview date.

At least a day before the interview, the interviewee was provided with the guide and questions so they could review the information and prepare answers. The interview was conducted over a one-hour period, using Google Meets, to provide a face-to-face interview experience. For the interview process, 2 team members were involved: typically one to ask questions and the other to record answers. It was also typical for team members to take turns asking questions and recording answers, as additional questions and topics arose out of the discussions.

It should be noted that the intention of the interviews was not to have a regimented list of questions, with the need for specific responses; rather, it was to facilitate open discussion about the views of interviewees regarding their thoughts about the housing issues in Claresholm. It was expected that every interviewee would have a different perspective about the housing issues in Claresholm, so the interview process was allowed to adapt to meet the needs of the interviewee.

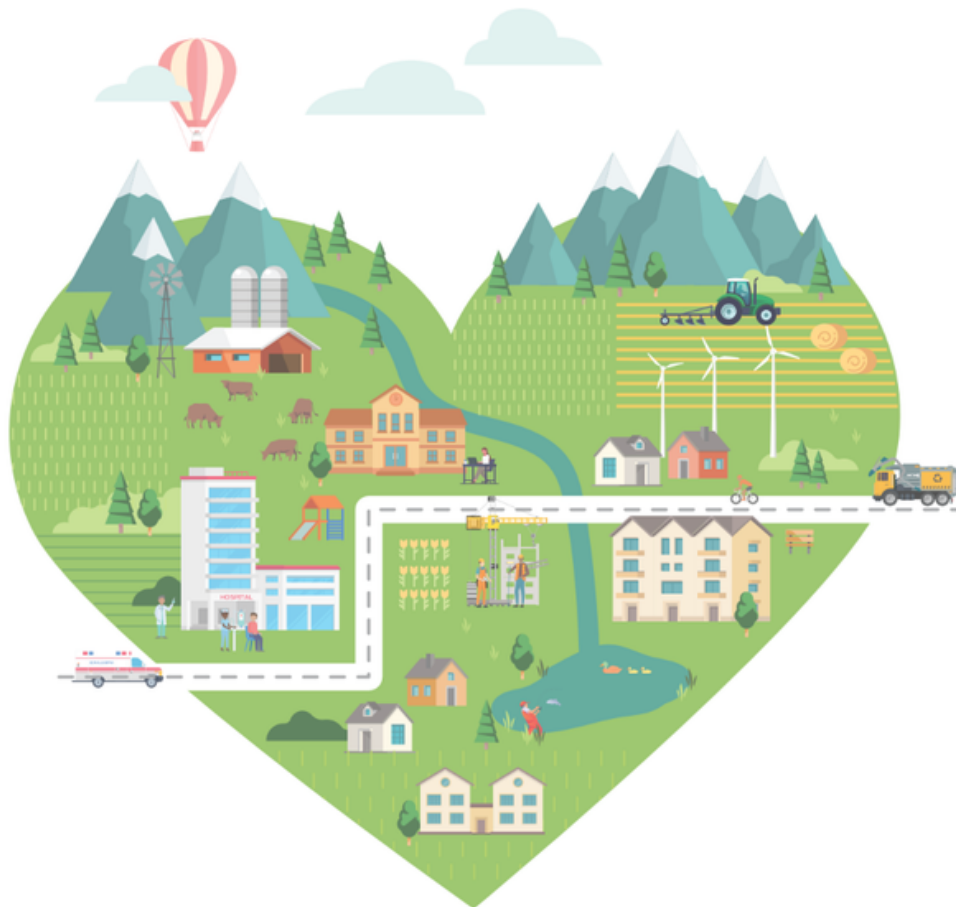
After the interview was completed, interview notes were summarized and then emailed to the interviewee for review. Any questions about the summary were addressed and then the summary was saved for further reference. Interviewees were assured that all the notes and summaries would be destroyed once the final report had been approved by the Town of Claresholm.



### 3.3 FOCUS GROUP DISCUSSION

The original engagement strategy for Claresholm included a session involving in-person community engagement, to be conducted in July 2023. The engagement was to be in the form of a town hall meeting or focus group discussion. However, delays in the research process made it necessary to re-evaluate the in-person engagement session; in collaboration with Town Administration, online focus-group discussions were held to fulfill this engagement strategy requirement.

Online focus group discussions were held between July 13 and August 21, 2023. Focus group participants consisted of 6 local landowners/developers, 3 internal staff members and the Community Development Committee from the Town of Claresholm. The process for the online focus-group discussions were the same as for the housing industry developers and home-builders.



## 4.0 RESULTS FROM THE INTERVIEWS & FOCUS GROUP

### 4.1 Background

Participants in the housing industry interviews and the focus group discussion included developers, landowners, Claresholm's Community Development Committee and Town Administration.

Results from both the individual interviews and the focus group are combined in this review because the same topics were covered and the discussions produced similar results. The interview guides and complete list of questions are included in Appendix 2 and 3 of this report.

Information gathered from the interviews and focus group has been summarized using headings that emphasize housing diversity in Claresholm and how to facilitate it.

#### 4.1.1 Importance of Housing Diversity

This question was asked to help the Enabling Housing Choice (EHC) team understand how the housing industry defined housing diversity and choice. The EHC definition of housing diversity is based on housing form and type. For example, housing diversity includes forms other than the traditional single family dwelling, such as rowhouse/townhouse, duplex, 4-plex, low-rise apartment and other types of attached forms of housing. Diversity also includes housing types such as modular, manufactured and moved-in homes.







Responses are summarized as follows:

### **1. Housing Diversity Means Having A Variety of Suitable Housing Types for Everyone:**

Participants noted that housing diversity means there is a variety of suitable housing types for all residents in a community. Summarized comments that relate housing diversity to having a variety of types are provided below:

- Housing diversity can be thought of as having different types of units or places for people to live.
- Housing diversity means having housing that is suitable for a wide array of demographics in rural communities.
- If you have something on your shelves of inventory that appeals to all, that means you hit a larger target market. Claresholm has a smaller population, but with technology and advancements, there's no reason for small towns to not have the diversity that larger towns have.
- Most areas and towns are always looking for diversity and maybe it's not modular anymore, but it may be something simple, smaller and more affordable and covering the whole gamut to more estate type homes on golf courses.
- When looking at the current availability of housing and the different types of places on the market, everything was more or less the same - you can either get a small townhouse or a house that is large enough in size for a family of 4 - but there is nothing in terms of 1-2 bedroom types. That's what Claresholm needs in terms of diversity.

## 2. Housing Diversity is Directly Related To Affordability:

Participants noted that housing diversity is directly related to affordability, stating that housing in a community should have a variety of different price points that are affordable for its residents. Summarized comments relating housing diversity to affordability are provided below:

- As a builder, revenue models have to make sense, and housing units need to be sold or rented at a reasonable price. Encouraging higher density housing types in rural municipalities is the key to this because a builder can still provide quality product while reducing the overall cost per door.
- There needs to be a wider range of rental and purchase price points for people to be able to afford housing. For example, some of the only rental choices people have in Claresholm is to rent a duplex for \$1650 a month, which is not affordable for many in the community.
- Housing diversity means anything from low income, or multi-unit housing all the way up to acreage homes scale. Economic diversity is key for having different types of housing.
- By having more affordable and more diversity of housing, we can attract younger people and keep people who graduate from highschool instead of them (to urban centers) moving away for school.

## 3. Housing Diversity Means Having Accessible Housing:

A participant noted that while increasing housing affordability is important, it is also important to consider enabling the development of housing types that offer larger accessibility, especially for demographics that have accessibility issues such as seniors, people with disabilities etc.



### 4.1.2 Claresholm's Housing Needs:

Interviewees were asked for their opinion on the findings from Claresholm's Housing Needs and Demand Assessment and the Affordable Housing Strategy, to determine if the findings aligned with their opinion on Claresholm's housing needs.

#### 1. Seniors Housing

Several participants noted that there is a demand for single-level seniors housing (with no basements or stairs). Summarized comments related to seniors housing needs are provided below:

- There is definitely a place to do better on seniors housing due to the hospital. And there are many people in the area that are past retirement age, and they may want to be near a hospital. Some seniors would like to buy, but producing senior rentals is better as they may not be there that long.
- Claresholm is a farming community with older people that like their homes being detached, so they don't like apartments etc. A lot have moved into retirement homes but don't like them because they prefer the independent home-feel. Claresholm is missing the mark on these smaller-style homes.
- There are possibly too many 3 and 4 bedroom homes that seniors are still in. If smaller, 2-bedroom homes are built, seniors may downsize.



## 2. Rental Housing Needs:

Participants noted that more rental housing is needed in Claresholm and that findings from the Housing Needs and Demand Assessment will help identify rental housing needs. Summarized comments related to rental housing needs are provided below:

- There are people wanting to leave the city (i.e. Calgary, Lethbridge), and it would be nice to have rental houses - but the rental supply is drying up.
- This [housing needs] assessment will be critical for demonstrating the Town's overall housing type needs, while also demonstrating the low-vacancy rates that can help justify the need for more rental-units developments in Claresholm.
- Claresholm's vacancy rate is next to zero so we have needs for rental, small and transitional housing and aging in place.

## 3. Housing For Immigrants:

Participants expressed that more affordable housing is needed for the immigrant population in Claresholm. Summarized comments related to housing for immigrants are provided below:

- Who are the people that are moving mostly into Claresholm? It's immigrants and a lot of these people are minimum wage earners, and they would rather have affordability than a backyard.
- The Canadian Immigration program has been beneficial for the community as it helps demonstrate there will continue to be a need for housing [for immigrants] in the community.
- Housing types appear to predominantly cater to seniors in Claresholm (duplexes, bungalows). Housing should start catering to young families and immigrants. If Claresholm prioritizes affordable and appropriate housing for young families, this would make a large difference for the community.
- We don't need more housing entirely for the people we have, we also want to attract new people to Claresholm.



#### 4. Affordable Housing:

Participants had mixed opinions on the overall need for affordable housing in Claresholm. While some participants suggested affordable housing should be more heavily prioritized in the community, others suggested that the findings of the Housing Needs and Demand Assessment were inaccurate on affordable housing. Summarized comments related to affordable housing needs are provided below:

- There are some concerns with the findings that were brought back regarding affordable and seniors housing, as the report says Claresholm has none. However, Claresholm does have a fair bit of it, so the findings from that report were misrepresented. Claresholm does have affordable and low income housing and the recently built duplexes are called ‘affordable housing’ and so it was a miss on that part.
- Further clarification is needed on what counts as ‘affordable housing’ as the duplex developments were not considered as part of the affordable housing inventory in Claresholm.
- The assessment of housing that is needed in Claresholm is dead on, but less so for affordable housing.
- Affordable housing is like chasing a cat in a bag. 30% of their income isn’t going to get them much. There’s a lot of people in Town that won’t be able to afford that anyways. I don’t think it’s a good measurement. As a municipal government, Claresholm is not going to build apartments and then rent them out at \$600 a month because Claresholm can’t do that - it’s not the Town’s responsibility, it’s other levels of government that need to do that. It would be nice for provincial and federal governments to take a stronger stance on affordable housing to take it off municipalities’ hands.
- There are 46 rental units that have been built within the last 2 years. It was a developer and he got 22-23 units (duplexes) which makes 46 places to live. Part of the funding conditions from CMHC is that they stay as rental units for 10 years (that applies to 80% percent of them) and there is a waiting list for the units. They are among the higher priced places to live in the community. They are rent-controlled housing but not necessarily affordable according to the CMHC definition. But while they are still not cost effective, they have helped with rental availability.
- Council should reconsider the recommendations outlined in the Affordable Housing Strategy as none of them were accepted upon presentation.
- I was in a meeting where apparently there’s no such thing as “affordable housing” and that nobody can likely build too many houses and rent them out so that everyone can live there - so there must be a way to address that issue somehow, whether through style or type.

### 4.1.3 Challenges and Barriers

Interviewees were asked about the barriers and challenges that they encountered when attempting to build or sell dwellings in Claresholm.

#### 1. Servicing and Construction Costs For Housing:

Nearly unanimously, developer and homebuilder participants expressed that one of the largest barriers to housing development are the rising servicing and construction costs for housing. Summarized comments related to servicing and construction costs for housing are provided below:

- A finished housing product (of any type) costs relatively the same to build in Claresholm as in larger urban centers such as Calgary or Edmonton. While land costs are inexpensive in Claresholm, these costs generally comprise only 5-10% of total development costs. Construction costs make up the largest percentage, while servicing costs are a significant barrier as well.
- Considering that housing will often sell for higher price points in urban centers, this often impacts developer's decision-making when considering development in Claresholm, as their financial returns can be lower and less certain.



## 2. Obtaining Financing for Housing Development:

Several developer and homebuilder participants noted that obtaining financing for housing developments is a significant challenge they face. Summarized comments related to obtaining financing are provided below:

- Obtaining financing is especially difficult for developers/builders who don't have additional financing support.
- Financial institutions can often disregard rural municipalities as they tend to not understand the rural housing market context in comparison to larger urban centres.
- Four previous developers had to foreclose on a piece of land in Claresholm as they were unable to obtain loans/financing from a privatized financial institution/bank. Only after obtaining financial assistance from the National Bank/CMHC, a developer was able to construct 46 units for individual duplexes using CMHC's affordable housing loans.

## 3. Lack of Local Trade Labour:

Developer participants identified that another barrier to housing development is that there is shortage of trades and home builders in Claresholm. Summarized comments related to the lack of local trade labour are provided below:

- It is very tough to get plumbers and other trades in Claresholm for home builds.
- Claresholm's proximity to larger urban centers such as Calgary or Lethbridge means that Claresholm often misses out on workforce commuters to the town. While there are commuters to the town, it's often few and far between, making it difficult to attract labor.
- Claresholm does not often attract interest from larger home-builder companies, and that other municipalities in the region have also had little success in attracting these companies.



#### **4. Parking Requirements:**

One participant noted that in certain instances, parking requirements have hindered housing development projects in Claresholm. For example, an 8-plex housing project was reduced to a 4-plex due to the Town's parking requirement per unit. Parking restrictions need to be changed so they're not so restrictive while granting more flexibility for diverse housing developments.

#### **Building & Safety Codes:**

One participant mentioned that while this is primarily a barrier imposed by the provincial government and is difficult to relax or amend, there are instances in which building and safety codes have made it challenging to accommodate proposed residential developments in Claresholm.

For example, building and safety codes have made it difficult for a local hotel to rent its rooms beyond a month-to-month basis, as this would require costly improvements for converting rooms to rental standards.

#### **5. Lack of Shovel-Ready Lots/Properties:**

An internal participant noted that a large barrier is having shovel-ready property in Claresholm. They noted that it's difficult finding developers who want to come do the servicing for the Town, and that more generally, it's difficult attracting developers to the community.

#### **6. Water Access for New Developments:**

One participant mentioned that they are uncertain as to where the water will come from to support new developments in Claresholm, as they felt there may be water scarcity issues in Claresholm and surrounding region in future years.

#### **7. Community Acceptance:**

A participant mentioned that there is generally an overall community hesitancy to newcomers, new businesses and new ideas/approaches. It is important to understand that the pace of cultural change is slow in Claresholm, and that this can impact overall acceptance of new developments, whether housing or commercial.



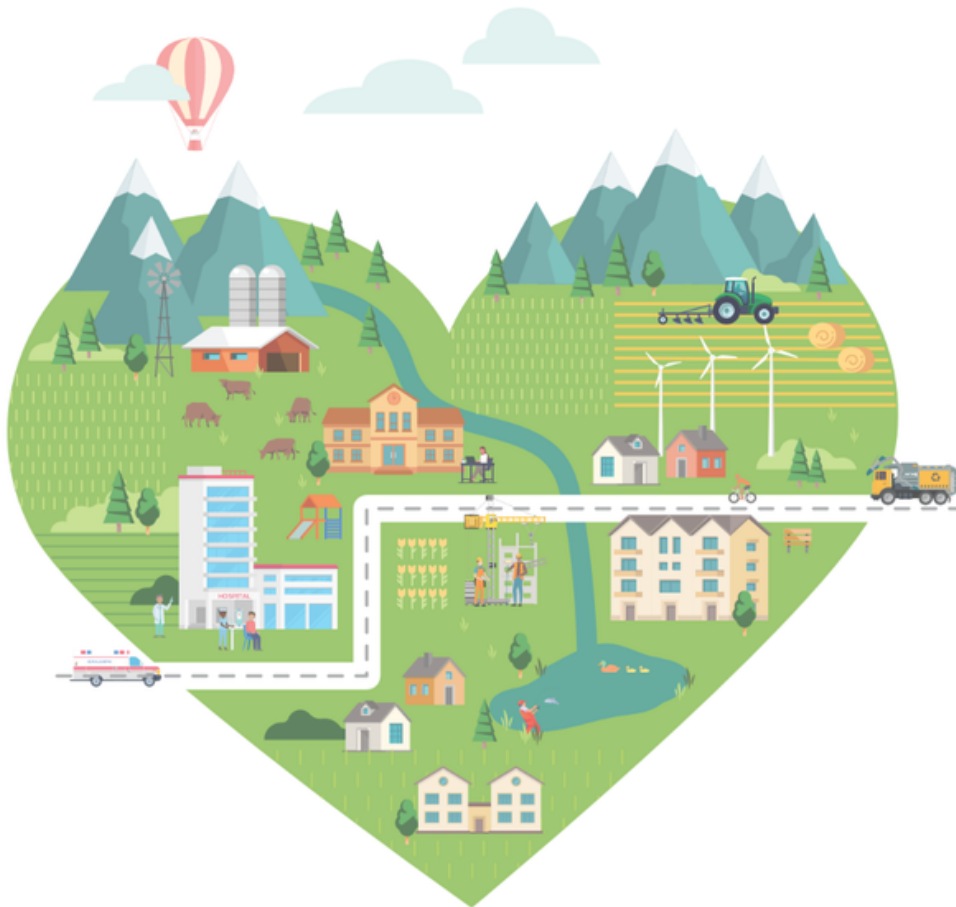
## 8. Local Business Decline:

A participant noted that Claresholm is losing businesses as business owners retire and there are seldom any business successors. Compounding the issue, there are small businesses that might not get the support they need to sustain themselves within the community.

Consequently, it was suggested that Claresholm is not attracting the people they need/want - as it's not necessarily attractive to younger people, who are looking for additional amenities and a variety of businesses in town.

## 9. Communications and Development Answers From the Town:

A participant stated that a major barrier for a developer in the community is understanding who to speak to regarding development-related inquiries, as well as getting definite answers to development-related questions. Lack of communication and uncertainty can significantly impact a developer's decision-making process and create uncertainty within development timelines.



#### 4.1.4 Tools to Facilitate Housing Development and Areas of Opportunity

Interviewees were asked what kinds of tools they knew about or could suggest to help the Town attract developers and home-builders to the community. Similarly, participants were asked about areas of opportunity the Town could explore to foster the development of diverse housing.

##### 1. Encourage Flexible Zoning:

A participant suggested that the Town of Claresholm should consider having a more flexible approach to zoning and being more open to diverse/different housing types in the community.

The participant suggested “allowing duplexes and multifamily dwellings in single family zoning. Prairie Shores residential development is a mix of housing densities - if it was all one zoning, it would reduce costs and time to develop”.

##### 2. Red-Tape Reduction Considerations:

A participant mentioned that eliminating red-tape does not always result in increased housing development - however it is still important for the Town of Claresholm to consider how red-tape can be reduced to improve overall density in the community.

##### 3. Explore Rezoning Opportunities:

A participant suggested that Claresholm should explore what developed areas of the town can be rezoned to accommodate residential uses.

##### 4. Utilize Vacant Land Parcel Near School:

A participant suggested that Claresholm should consider acquiring the parcel of land near the school and bringing in appropriate infrastructure to create a new subdivision that is affordable and suitable for young families and immigrants. The participant noted that there are a “couple pieces of land that are attractive for housing - for affordable family oriented housing by the school and they will never see a developer come into Town, so the Town has to make an investment in doing a development because they may have to subsidize some of that and try to recoup later through taxes”.



## **5. Explored Mixed Use Development Opportunities:**

One participant suggested that Claresholm should look at mixed use development to tackle both housing and economic development opportunities simultaneously.

## **6. Increase Vibrancy/Attractiveness of Downtown:**

One participant noted that while the Town is in a good position due to various infrastructure and services (i.e. parks, sidewalks, schools), one thing Claresholm doesn't have compared to other towns is a "downtown" that attracts people.

## **7. Improve Local Services and Amenities:**

Several participants noted that in order for Claresholm to attract newcomers to the community, that the Town should improve its local services and amenities. The following comments related to improving local services and amenities are provided below:

- It's not just housing, its services and everything that comes with attracting people to Town. But how do we attract and keep young people here if they want to go to Calgary because they can get better housing and more choice? How do we advertise that there are choices for them here? That ties into economic development and provision of services to help with that.
- We need more amenities and we need better health care. In terms of longevity you need diversity in everything.
- It comes down to diversity and affordability and the Town encouraging more amenities, more services and more reason for people to want to be here. Priorities and needs in Claresholm shift over time, and we are having more young professionals and immigration coming here - so it's important to have amenities and to keep up so they don't have to leave Town. It can be unique in its perspective here and it's not that we have to copy and emulate, but we can create our own approach.
- One issue I found is that availability for internet and TV services, whether it was through Telus or Shaw - it's terrible here in Claresholm. Staveland has fiber-optic internet but Claresholm has next to nothing. With schooling going largely online and with people working remotely, a lot of people can do their work from anywhere in the world and so you need strong internet. It's hard for Telus to put new lines in existing points, and I think this is something that should be considered for new development and that could be a huge bonus for Claresholm.

## **8. Explore Community-Oriented Multifamily Housing Developments:**

One participant rhetorically asked if Claresholm can support multifamily housing that provides more of a community. They suggested this may help incentivise older people to downsize and that this could even attract people that are retiring in Calgary to come to Claresholm.

## **9. Explore What Other Municipalities Are Doing:**

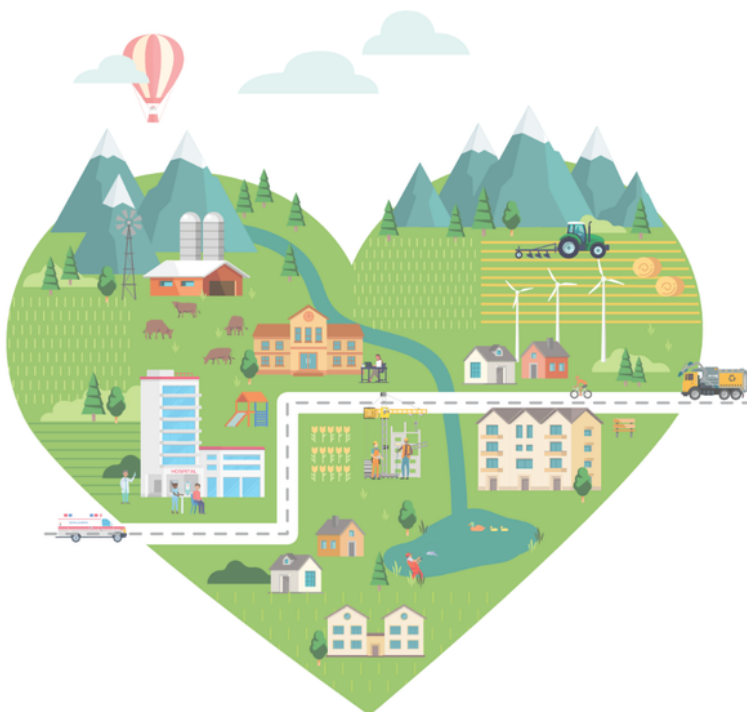
One participant suggested that Claresholm should look at other Land Use Bylaws from other municipalities for ideas for innovations - what did they do for success and growth? Okotoks and High River were suggested as good examples to look towards.

## **10. Community Engagement With Young Adults/Younger Demographics:**

Several participants mentioned the importance of engaging younger demographics (young singles, couples, families) to understand their housing needs in the community.

## **11. Alternative/Innovative Approaches:**

A developer participant recommended to the EHC team that Claresholm should consider new/alternative approaches (such as long-term lease opportunities) that would attract development/builder partners to the community.



#### 4.1.5 Collaboration with Developers

This question asked interviewees about the ways in which the Town could collaborate with or make things easier for the development industry. Interviewees were deliberately not asked about monetary issues or incentives so this matter would be initiated by them if they felt it was important.

The following summarized comments are suggestions that could assist the housing industry in building homes in Claresholm:

##### 1. Reducing Upfront Costs for Housing Development:

Developers suggested that the Town could collaborate with housing industry professionals by offering to assist in taking on additional risks and liabilities by sharing some of the upfront costs (where possible) with developers. One participant noted that this will likely attract more housing developers to the community.

##### 2. Provide More Variances For Parking:

One participant noted that relaxing parking requirements has the potential to encourage new development by reducing developer's total costs. Additionally, this will also help make higher-density developments more cost-effective by reducing the minimum parking stalls per unit that is required.

##### 3. Leasing Municipally-Owned Land:

A participant suggested that the Town of Claresholm could explore leasing land to developers long-term as another approach to reducing the initial costs of land purchasing. One participant noted that the impact of this approach may be negligible given the low costs of purchasing land in Claresholm.

##### 4. Selling Land For Less Than Market Value:

A participant suggested that the Town could provide land for housing development at a reduced cost. In addition, they could assist with land servicing costs to install infrastructure and utilities. This would greatly reduce the upfront costs being borne by the developer. It could be done with the use of a Local Improvement Tax. (Note: assistance with land servicing costs is also a typical answer from a home-builder or developer)



## **5. Disseminating Findings of Housing Needs and Demand Assessment:**

One participant mentioned that new builders to the town would benefit from the information provided in the recently completed Housing Needs and Demand Assessment, as this would help drive the decision of what housing they should build.

Another participant noted that the biggest approach to enabling diverse housing development is understanding the need. What does the Town see as the need? Is it from an economic standpoint that they need development, is it a need for housing?

## **6. Regular Communication/Dialogue With Developers:**

Developer participants emphasized the importance of communicating important information and opportunities with local developers. Summarized comments related to regular communication/dialogue with developers is provided below:

- How can the town help me move this development forward? it would be more encouragement, more regular dialogue - I tend to feel that with more encouragement on a regular basis of sharing things we probably would have already been there by now. It comes down to personal communication and also having the Town understand their audience.
- Any help from the Town in terms of incentives from the Government of Alberta or other areas of incentives that we don't know about, that would be great. It comes at no cost to the Town if the provincial and federal government can do something, and knowing that and sharing that with developers is a big tool. Don't just say "start it and we'll figure it out as we go", but instead provide opportunities and tools along the way.

## **7. Explore Partnerships:**

One internal participant noted that P3 partnerships are important for creating opportunities between developers, non-profit housing agencies and the Town in order to collaboratively achieve new housing developments.

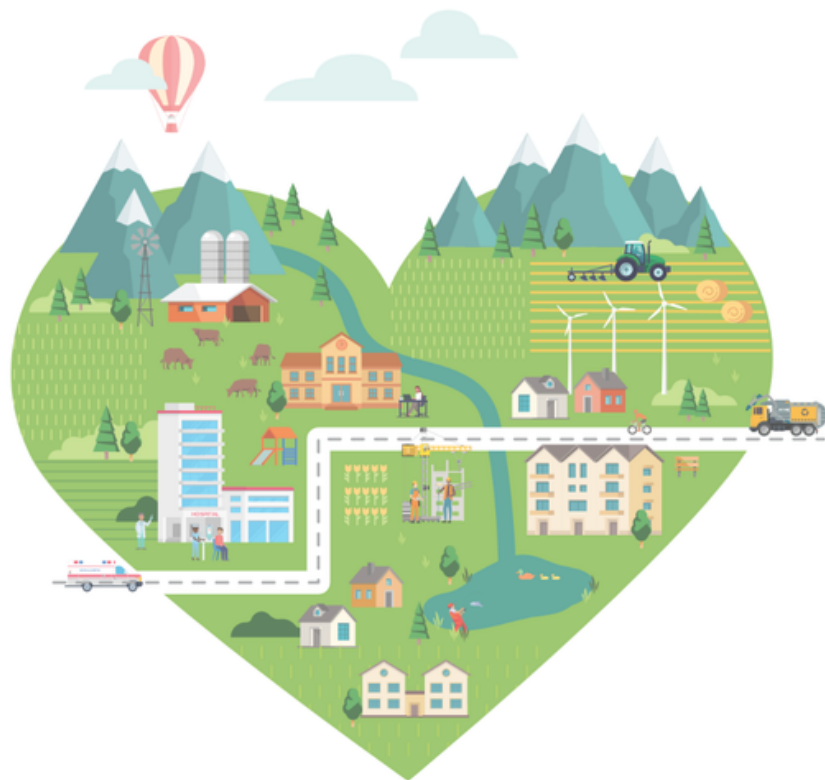
Another developer mentioned that they are open to the idea of exploring partnerships with the Town of Claresholm to help increase the likelihood of obtaining CMHC's Rental Construction Financing Initiative (RCFI) funding. It is also important for the Town to help support CMHC applications where possible to help achieve low-cost loans and financing for housing projects.

#### 4.1.6 Claresholm's Residential Tax Incentive Policy

The purpose of Claresholm's Residential Tax Incentive Policy was to provide incentives to potential clients and expedite the process of attracting investors to the Town. The policy provides guidelines for the Town to do such things as negotiate the sale of municipally owned lots, cancel taxes during the construction phase, and cancel taxes during the first four years of occupancy.

Interviewees were asked to review this policy and then provide feedback about its effectiveness for their purposes. The following are their responses:

- This incentive only applies to new permits so it doesn't apply to developers who have existing permits. While this could potentially be useful for encouraging new development in Claresholm - the primary recommendation would be for Claresholm to "re-engineer" the municipality's required development processes while demonstrating a clearer understanding of the total costs associated with housing development in rural communities.
- Because the bylaw was only passed a year ago, and even though it encouraged development, no developers have actually used it yet because it's so new.
- This policy incentive is regarded as a positive step in the right direction, and that extended-period incentives are always appreciated by developers/builders.





#### 4.1.7 Additional Development Incentive Considerations:

Interviewees were asked about additional development incentives they felt the Town could explore to attract housing developers and homebuilders to the community. The following are suggestions for development incentives that the Town could utilize to encourage housing development:

##### **More Competitive Tax Incentives:**

More tax incentives are needed to entice developers/builders to come to Claresholm. Claresholm hasn't seen any big impacts from the existing residential tax refund incentive. But in general, the requirements of Claresholm's incentives should be reduced to be easier to meet. Claresholm should make the tax incentives more competitive - higher kickbacks for lower requirements

##### **Secondary Suite Incentives:**

Incentives for secondary suites (i.e. the \$30,000 development incentive for building a secondary suite in Banff) should be added. This could encourage people to upgrade their home to allow for more density and more affordable rental opportunities in Claresholm

##### **Northern Regional Economic Grant:**

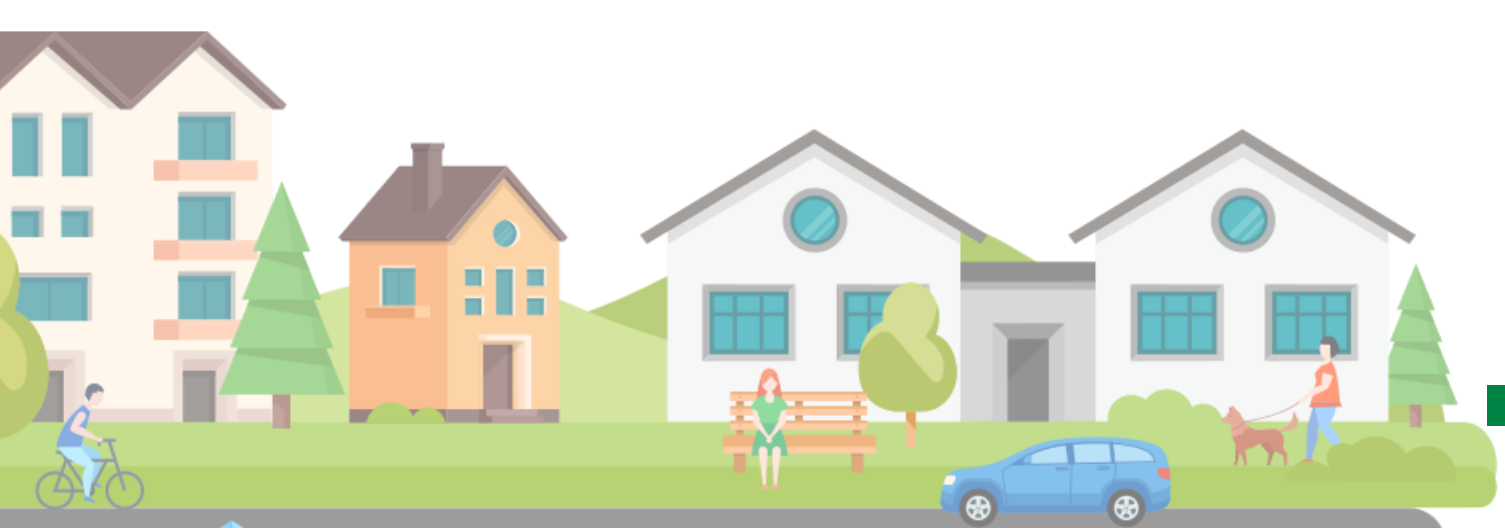
There is interest in the Northern Regional Economic Development Grant that was offered in 2017, that helped pay for 25% of the Area Structure Plan for the development to the north of Claresholm. Uncertain if this grant will be made available again.

##### **Incentives to Cover Servicing Costs:**

As lots become more expensive to reflect rising servicing costs, this will require housing prices to increase by up to \$100,000 unless the Town wants to pay servicing costs.

##### **Non-Municipal Grants/Incentives:**

If the Town knows about incentives beyond the municipal basis that can be passed along to the developer, that would be helpful. It's not always about the bottom line and we want it viable, sustainable and to help the community.







## 5.0 Next Steps

The purpose of this project was to facilitate long-term change in Claresholm by addressing policy, bylaw and process barriers that developers, residents and the municipality itself face when trying to address housing issues in the community.

This research utilized community engagement methods in the form of interviews and focus group discussion to collect relevant information about housing diversity. The results provide a better understanding of what the community wants and how to engage the housing industry to address Claresholm's housing issues.

Discussions of these results with the Town of Claresholm Administration will help the EHC team prepare the final Land Use Policy Update Report, the final project deliverable for this initiative. That report will provide recommendations and best practices for implementing policy changes that will enable and encourage housing diversity in Claresholm.



ALBERTA  
REAL ESTATE  
FOUNDATION



RURAL  
DEVELOPMENT  
NETWORK

**Email:** [housingchoice@ruraldevelopment.ca](mailto:housingchoice@ruraldevelopment.ca)

**Website:** [housingredefined.ca/enabling-housing-choice-project](http://housingredefined.ca/enabling-housing-choice-project)