

Homes lottery proposed

Use of school sites will help keep costs low

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EDMONTON - City officials expect such a clamour for lower-cost homes being built on surplus school sites that they're planning a lottery to determine who gets to buy them.

City housing manager Terry Loat said Tuesday his department is already getting calls for the 80 or so townhouses that will be available for first-time home buyers to purchase in 2008.

"We generally have a demand that exceeds the supply," he said. "We've had numerous calls from folks that say: 'This sounds like a wonderful opportunity for my family. Can I register my interest at this point?' We're saying: 'Not quite yet, but don't lose interest.'

Loat said the pilot program to develop starter homes on surplus school property in mature neighbourhoods isn't the panacea to resolve the housing crisis, but it is a good start. "This is targeting one specific area -- people who can't buy their own home. It's a piece of the grand puzzle."

The project, touted by Mayor Stephen Mandel as one way to tackle rising housing costs, initially met resistance in some neighbourhoods from residents who feared an influx of social housing and the loss of green space they were using as parkland. When the province expedited the rezoning process last fall to allow 20 surplus school sites to be used for housing, some residents complained the program was being rammed down their throats.

Russ Dahms, executive director of the Edmonton Federation of Community Leagues, said the lack of consultation was upsetting.

He said the federation advised the city to do a better job of consulting on the pilot projects "because people are not happy."

"Nobody liked the way they just came in and did it as a done deal," said Angie Eleniak, whose community in northeast Edmonton was the first to be selected for the pilot program. "Nobody was appreciative of that process."

But since the mayor and ward councillors provided details of the pilot program at a community meeting last week, residents are more receptive to the idea, said Eleniak, who is president of the Homesteader Community League. "Now everybody is saying: 'OK, we see how it can benefit the area.' "

Eleniak said the biggest hurdle to overcome was the belief that it was a social housing program.

She said residents have been assured the townhouses that will be constructed on the Canon Ridge school site will be purchased by middle-income families. No rental units are being constructed.

"They are aimed at middle-income families that are just starting out and can't afford a half-a-million-dollar house," she said.

Mandel has said the program will target young families or couples with incomes of \$60,000 to \$80,000.

Loat said the houses will be more affordable because the home buyer will only need to qualify initially for a mortgage for the house. The city will hold the mortgage on the land for the first five years.

After five years the home buyer will be required to pay for the land at the price at which it was appraised at the time of construction -- either from savings or through a second mortgage, he said.

Revenue from the sale of the land will be shared with the school boards, but they'll have to wait five years to get it, he said.

The Greenview school site in Mill Woods is the second site being considered for townhouse starter homes and more public meetings are planned for that community, Loat said.

Eleniak said residents in her community have been invited to sit on an advisory panel with the architect and builder to provide input into the design of the project.

"We're definitely being invited to be part of the process," she said. "They're giving us the opportunity to take the lead on it."

She said ground-breaking could begin as early as this fall.

Loat said he hopes the two pilot projects of 40 to 45 starter homes each will convince other communities to embrace the concept.

"We're very confident that when these two projects are built they will be added seamlessly into the neighbourhoods," he said.

The city has suggested the program could create as many as 1,000 new housing units for first-time home buyers.

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