

a vision Affordable Housing

The Vision

A modernized affordable housing sector in Alberta that is financially, socially and environmentally sustainable. The sector has the tools and capabilities to robustly fulfill its mandate of providing affordable, adequate, suitable and secure housing and creates a housing environment that supports tenant wellbeing. The sector is accessible, customer-focused, and easy to navigate for those who need it and supported by a new approach to building, managing and delivering affordable housing that allows housing providers to be innovative, flexible and adaptable.

The Context

According to the Canada Mortgage and Housing Corporation, housing is considered affordable if it costs less than 30% of the household's gross (pre-tax) income. In Alberta, affordable housing is supported by the Government of Alberta through the Ministry of Seniors and Housing and governed by the *Alberta Housing Act* as well as specific operating and grant agreements for each property. Affordable housing broadly refers to any type of rental housing with rents below average market cost, targeted to mid to low-income earning households. It may include (but is not limited to) social housing, near market housing, supportive housing and affordable homeownership. "Housing providers" collectively refers to the group of over 400 non-profit, charitable, for-profit, and housing management bodies that provide affordable housing across the province. Housing management bodies are public agencies created under the *Alberta Housing Act*.

Social housing refers specifically to units with rent-geared-to-income (RGI) rent structures, developed as part of a formal initiative such as the federally-funded Community Housing program during the 1960s to 1980s. Most of these units are publicly owned, most commonly by provincial government housing corporations. In Alberta, these units are owned by the Alberta Social Housing Corporation and managed by 102 housing management bodies of various sizes across the province. Near market housing refers to units with a set rent 10-15% below market rent.

Many were built in the early 2000s under the Investment in Affordable Housing initiative. Supportive housing refers to units that are subsidized and have on-site supports such as social work and health care. Both near market and supportive housing units are owned and managed by a variety of housing providers.

The Challenges

Demand for housing is at a record high. More than 36% of renters live in unaffordable situations across Alberta, while only 2.9% of Albertan households live in subsidized housing, the lowest across Canada.¹ Housing providers operate on a deficit funding model and receive operating grants from the Government of Alberta, creating reliance on government resourcing and preventing long-term planning. Many affordable housing units, especially social housing units, are over 40-years old and in need of repair or replacement due to deferred maintenance issues.

At the same time, housing providers have been shifting to more customer-focused operations. As a part of this shift from seeing individuals as passive clients receiving services to active customers with agency and choice, housing providers must innovate and adapt to new technologies². Housing providers are also increasingly tasked with improving non-housing outcomes for tenants, including economic and social inclusion.³

As the system changes, the required competencies and skills of staff are also changing. The human resources capacity of the affordable housing sector is under-utilized and under-resourced and the sector faces approaching retirement for many staff. The sector must continue to develop current staff and attract and retain new professionals to the sector to meet this growing need and the challenges facing the sector.⁴

The Opportunities

The affordable housing sector in Alberta and Canada is going through a time of transformation. Recognizing that the current model is unsustainable – based on deficit funding, socially and spatially exclusive housing and aging infrastructure – housing providers and governments are increasingly seeking to change the sector. This has been highlighted in recently released provincial and federal housing strategies, which emphasize increasing social inclusion, tenant wellbeing, and tenant supports, in addition to financial and economic sustainability. Provincial and federal governments are again recognizing the importance of affordable housing and are investing in the sector through policy, research and capital funding. Expiring operating agreements and new bilateral agreements under the National Housing Strategy provide opportunities to modernize the system to better provide affordable housing and support tenants.

The Actions

In the face of these challenges and opportunities, a new model is required to meet the demand for affordable housing. The purpose of this document is to set out the actions we believe will achieve the modernization of the sector and improved customer-focus that is necessary to sustainably deliver new and repaired homes and best support customers.

To achieve this vision of a modernized affordable housing system in Alberta, we have outlined key actions under six thematic areas: (1) Support better outcomes for tenants; (2) Reduce administrative barriers; (3) Stabilize revenues for housing providers; (4) Improve the design of affordable housing; (5) Foster innovation in the sector; and (6) Modernize Rent Geared-to-Income (RGI). Some of these actions can be implemented more quickly than others – we have highlighted those at the end in a list titled “Short-term Recommendations”.

Theme 1: Support Better Outcomes for Tenants

At present, Alberta’s affordable housing sector does not fully support the needs of tenants or promote non-housing outcomes such as employment, health, and family stability due to system complexity and its current siloed structure. Recent research also suggests affordable housing alone is not enough to impact well-being in life opportunities, and that varied support could be beneficial in this regard⁵. Better outcomes for tenants in affordable housing supports social and economic inclusion, more vibrant communities, and Albertans who can participate fully in public life. The key actions required to achieve these outcomes are described below.

1. Harmonize housing services, funding and policy to better meet customer needs

Provincial responsibility for housing and homelessness is currently split between two Ministries: Seniors and Housing and Community and Social Services. This results in separate funding streams, insufficient resourcing of key issues, underexplored synergies between key priorities as well as a lack of alignment in policy and program delivery. For people struggling with housing affordability, this often means dealing with a fragmented system with different eligibility requirements, gaps in programming, and confusion regarding how services connect. Integrating homelessness and housing within the Government of Alberta and providing one seamless spectrum of housing services, from homelessness response to home ownership programs, would alleviate many of these issues and support successful transitions for tenants.

Harmonization would enable appropriately targeted, sufficiently resourced, and holistic policy interventions⁶. Not only will this build networks and improve communication at the government level, it will promote further alignment between public and non-profit bodies that deliver services in the sector.

2. Improve coordination along the spectrum of housing options for seniors

In Alberta, seniors can access housing through various program options including Community Housing, Seniors Self-Contained, Seniors Lodges, and many levels of assisted living or long-term care. Although transitions are often necessary through these options, particularly as care needs may increase with age, there is little existing coordination of these services. Improving coordination would help seniors better navigate the complex housing system, ensuring successful transitions, access to appropriate housing, and opportunities to age in place.

3. Facilitate access to non-housing supports, including education, work, recreation and transportation opportunities

Housing providers are limited in their ability to provide supports to customers, primarily due to capacity restraints. While many programs and initiatives exist in communities across Alberta, significant gaps remain in fostering social inclusion and enabling people to overcome education and employment barriers due to legislative and policy barriers and the siloed nature of housing. Housing providers do not currently have the financial or human resource capacity to fully support non-housing outcomes for tenants without provincial support. Supports such as subsidized recreation or transit passes require separate application processes and have different eligibility requirements than housing, meaning not all affordable housing tenants can access supports. Streamlining access by working with Community and Social Services, municipal partners, and non-profits and other providers to determine gaps in services and remove eligibility barriers would better support tenant wellbeing.

4. Ensure adequate provision of affordable housing beyond Alberta's urban centres

There is a critical shortage of affordable housing options in rural Alberta⁷ and rural homelessness is on the rise in many Canadian communities⁸. As housing opportunities and services are more readily available in Alberta's cities, people may relocate, ultimately contributing both to further demand on the already constrained urban housing supply and dwindling rural populations. Increasing the capacity of rural communities and community organizations to address this issue will support housing outcomes for those in housing need across Alberta.

5. Reform social assistance to adequately cover shelter costs and equitably treat tenants in affordable housing

Social assistance payments in Alberta are divided into two components – core essential benefits and core shelter benefits. While the core essential component is generally consistent within programs, core shelter benefits vary depending on whether the individual lives in private market housing or affordable housing. Those living in affordable housing receive a reduced core shelter benefit (e.g., \$120 per month for a single adult in affordable housing compared to \$323 in private market housing). The core shelter benefit amount for affordable housing has not increased since the late 1990s.

For housing providers, these amounts are insufficient to cover operating costs, resulting in ongoing structural deficits and a transfer of costs from Alberta Works to housing providers. For tenants, this system of differential rents further stigmatizes affordable housing as a residual safety net that is distinctly different from the private market. The artificially lower rental rate increases the jump towards market rent and disincentivizes people from moving out of affordable housing or taking economic opportunities that might impact their ongoing eligibility for housing.

Despite being provided at a higher rate, core shelter benefits for those in private market housing also remain inadequate, driving demand for affordable housing. Social assistance rates in Alberta are very low and continue to be eroded by inflation. Despite recent amendments (effective January 1, 2019) which will see benefits indexed to Alberta's Consumer Price Index, benefit levels do not vary by jurisdiction despite large cost-of-living differentials across Alberta and remain far from adequately covering living expenses (including shelter).

To help lift households out of poverty, build financial capacity and reduce stigmatization of affordable housing, the differential treatment of affordable housing and private housing shelter benefits should be ended, and social assistance payments should be improved to adequately cover household expenses. This approach will ensure household needs are adequately met in either affordable or private market housing while also contributing to increased financial sustainability of housing providers.

Theme 2: Reduce Administrative Barriers

The Alberta housing system has been criticized for being fragmented and difficult to navigate for customers,⁹ often stalled by bureaucratic barriers or systems that have been in place for decades without change. A simplified process would be less frustrating and burdensome on customers, as well as on housing providers. Reduced administrative barriers means a system that is easier to navigate for customers and more efficient to deliver for housing providers, giving staff more time to support customers.

1. Simplify income calculation procedures under the Social Housing Accommodation Regulation

To calculate total annual income, housing management bodies must request documentation of all sources of income to determine total gross income before applying exemptions. This is a significant administrative burden on housing management bodies as well as customers. Often, a household is unable to produce documentation for some exemptions at the requested time (such as GST and Carbon Levy Rebates), leading to delays in processing applications and annual income reviews and creating significant frustration for all involved. Using the Notice of Assessment to determine income and rent would greatly improve this onerous, paper-based and labour-intensive process.

2. Establish an information sharing agreement with the Canada Revenue Agency

In using Notices of Assessment, solidifying an information sharing agreement with the Canada Revenue Agency would further improve the process of calculating income and rent. With a customer's permission, accessing this information without the need for paper-based submissions would greatly reduce the need for follow up from housing staff, expediting the income calculation process.

3. Simplify rent adjustment procedures under the Social Housing Accommodation Regulation

Rent adjustment procedures under the *Social Housing Accommodation Regulation* are complex and may occur frequently, as rent must be reduced if a household's total annual income decreases by an amount established by the Minister. Presently, the threshold established by Ministerial Order for an adjustment is low (minimum decrease of 35\$/month or \$420/year). While this was intended to allow for responsiveness in changes to tenant income, the result has been a far more cumbersome and complex system that does not benefit tenants. Coinciding with changes to income calculation procedures described above, rent adjustments can be modernized to occur under specified circumstances and better reflect significant changes in customers' income, supporting financial literacy and successful transitions across the housing continuum.

4. Eliminate asset testing as a requirement under the Social Housing Accommodation Regulation for affordable housing

At \$25,000, Alberta has the lowest asset limit of all provinces and territories for affordable housing eligibility. While many impose higher asset limits (e.g., \$100,000 for BC Housing), some housing providers (e.g., Ottawa and Toronto) have no asset limit for eligibility at all. Asset testing is labour-intensive for staff and often intrusive for customers, requiring the submission of bank statements and other personal information. Furthermore, it can be difficult to enforce in practice. Eliminating asset testing as a requirement for initial and ongoing eligibility would decrease the labour burden on housing management bodies and greatly simplify the process for customers.

5. Amend eligibility requirements for Community Housing to allow privately sponsored individuals

Under Canadian immigration and citizenship rules, people living in affordable housing are permitted to sponsor their family members. However, under the *Social Housing Accommodation Regulation*, privately sponsored individuals are not eligible for housing accommodation. This requirement puts enormous stress on families, who must choose between maintaining their access to affordable housing or reuniting with family members. In many cases, these privately sponsored family members are immediate family members such as children or spouses.

Although all provinces have eligibility criteria around citizenship status, Alberta does not allow privately sponsored permanent residents to live in affordable housing. Amending eligibility requirements to allow privately sponsored individuals to live in Alberta's affordable housing, as long as one family member is a permanent resident, would align with federal rules, reduce confusion for households and promote family reunification.

Theme 3: Stabilize Revenues for Housing Providers

Housing providers currently operate on a deficit funding model and rely on funding from the Government of Alberta for operating costs and capital and repair maintenance, hampering long-term planning and financial sustainability. Due to the limitations of the *Financial Administration Act* and the *Alberta Housing Act*, housing providers are restricted from creating financial reserves and exploring innovative funding models. Stable revenues increase organizational and financial sustainability and improve service standards for customers. Stabilizing revenues for housing providers represent a larger culture change from the welfarist production of housing, where housing providers are residual service providers, to the co-production of housing, where housing providers are capable partners in the development and maintenance of affordable housing.¹⁰

1. Provide three-year operating budgets to support long term planning and consistency for customers

One-year operating grants are vulnerable to changes in economic and political circumstances and limit long term financial planning by housing providers. Other sectors have argued for longer operating budgets, including primary education, post-secondary education, and municipalities. Providing three-year operating budgets to housing providers would increase organizational resiliency and improve service standards for customers through greater financial stability and consistency.

2. Prioritize affordable housing in the disposition of public land

Land is one of the main barriers for housing providers when developing new affordable housing, but is also one of the key resources municipal, provincial and federal governments have available to support the development of affordable housing¹¹. The Federal government has already signaled that they will be exploring the allocation of federal land for the purposes of affordable housing under the Federal Lands Initiative. Municipal governments in Edmonton and Calgary have also indicated they will focus on strategic land acquisition to support affordable housing. Prioritizing housing in the disposition of provincial Crown land (including through the sale of land and reinvestment of proceeds into affordable housing) would significantly reduce financial barriers to developing housing, help expand the supply of affordable housing and align with federal and municipal initiatives.

3. Allow housing management bodies to access other financial tools to complement direct funding

Currently, the main tools available to housing providers to maintain and expand the supply of affordable housing are capital grants and operating subsidies. This funding can be complemented by other financial tools such as issuing housing bonds, effectively using housing management bodies' portfolios, and entering into joint ventures – tools which are already in use by the housing sector internationally.¹² However, these additional financial tools are currently limited by the *Financial Administration Act* and the *Management Body Operation and Administration Regulation*. Providing housing providers with the financial independence and flexibility to explore other financial tools to complement government funding would help increase operational and financial sustainability and increase the supply of affordable housing.

Theme 4: Improve the Design of Affordable Housing

Improving the design of affordable housing can refer to changes in the built environment as well as the underlying approach to affordable housing delivery. Most of Alberta's affordable housing stock was built between the 1960s and 1980s, employing standard design principles for low to medium-density apartments and townhome complexes. Deferred maintenance over the decades has left much of the housing stock in need of major repair or redevelopment. Built form is increasingly recognized as an important contributor to environmental sustainability, social inclusion and community building. The design of housing can also directly contribute to its upfront and ongoing affordability through reduced maintenance or utility costs.

Until recently, affordable housing in Alberta was almost exclusively built under funding agreements that prevented developments from incorporating mixed-income or mixed-tenure (mix of rental and homeownership). This resulted in socially exclusive and stigmatized developments that are financially unstable for housing providers and do not support tenure-transitions for tenants. Mixed-income developments and communities have been employed across the UK, Europe and the United States for many years, seen as a solution to the segregated nature of standard affordable housing.¹³ Tenure mix has also been promoted in policy across the UK for many years as a way of promoting social cohesion, providing good quality amenities for neighbourhoods, and countering adverse neighborhood effects.¹⁴

Improving the built form of affordable housing in Alberta and incorporating mixed-income and mixed-tenure models will result in a system that can better adapt to demographic, economic and environmental changes. Flexible, mixed-tenure and mixed-income communities promote social inclusion, create stronger communities, and empower customers to make the best housing choice for themselves.

1. Support housing providers to develop flexible ways of building housing that are responsive to demographic shifts

Flexible housing refers to spaces that can be changed in response to users or the environment, such as the ability to easily manipulate walls, bedroom size, or accessibility features. Flexible housing can respond to shifts in demand for particular types of living spaces with less material, energy and labor than traditional housing designs.¹⁵ Provincial support and amendments to current restrictions on these types of developments, as well as clarification on accessibility standards, would support housing providers in adopting this design approach for future developments or revitalization opportunities. This shift would support the ongoing ability to meet housing demand and ensure long-term sustainability of the housing stock. Furthermore, it would provide housing options that best meet the needs of Alberta's shifting demographics.

2. Align provincial decision-making about future sites, revitalization efforts, and capital grant investment with relevant local and national guidelines regarding proximity to services and amenities

Proximity to services and amenities like transit, schools, healthcare centres, child care, grocery stores and parks promotes social inclusion for customers of affordable housing. Recognizing the importance of site selection beyond strictly financial terms is imperative, and provincial decision-making about future sites, revitalization efforts, and capital grant investment should align with the National Housing Co-Investment Fund social inclusion proximity score criteria, as well as relevant local guidelines, such as the City of Calgary Affordable Housing Development and Design Guidelines. In adhering to these principles, not only will housing better meet the needs of customers, but housing providers in Alberta will be well positioned to access relevant funding opportunities.

3. *Develop complete housing communities that allow for a range of housing options, from affordable rental to homeownership, in one area*

Alberta affordable housing has largely been developed as large sites that concentrate affordable housing rental customers, resulting in sites that are largely single tenure (rental) with little variation in household incomes. This model is not financially sustainable for housing providers. It also requires that customers move from their site, often out of their neighborhood, if their income changes or if they want to move to a different housing tenure.

While mixed-income buildings are growing in popularity in Alberta, mixed-income mixed-tenure communities would have additional benefits for housing providers and tenants. Developing communities with a range of housing types and affordability levels through innovative tenure and financing arrangements promotes sustainability amongst housing providers and provides customers with opportunities like staying in their neighborhood if they wish to purchase a home. Currently, operating agreements and other restrictions prevent housing providers from pursuing these opportunities. Provincial partnerships and measures to expand the role of housing providers would allow for innovation in complete community development.

4. *Support the design and construction of affordable housing that promotes financial, social and environmental sustainability*

Building design, construction and operations have adapted over the past several decades to include more green building practices and support social inclusion and wellbeing.¹⁶ Many innovative practices and technologies have been adopted by the broader building industry. The affordable housing sector should be supported to incorporate the same degree of innovation and sustainability in its own design, construction, and redevelopment practices. Sustainable building minimizes negative impacts on society and the environment and can contribute to improved affordability by reducing maintenance and utility costs.

Theme 5: Foster Innovation in the Sector

Expiring operating agreements, aging affordable housing stock, and decades of deferred maintenance have left many housing providers with economically unviable models, requiring innovation, restructuring, and increased capacity to move to a more sustainable operating model. The affordable housing sector must modernize, adopt new technology, and find ways of attracting and retaining young professionals in the sector. The Government of Alberta can help foster innovation and transformation by removing restrictions and helping to scale up capacity and expertise in the sector. An innovative and adaptable sector can better respond to customer needs, create intra-organization cross-subsidization, and scale up capacity and expertise.

1. *Encourage social procurement for projects that receive government funding to promote wider social benefits*

Social procurement leverages money that would be already spent on goods and services for a social good such as hiring social enterprises or including social value conditions in contracts. Social procurement by housing providers is limited to projects and properties that are funded by housing providers or done on a case by case basis. Supporting social procurement for projects on Alberta Social Housing Corporation-owned properties or projects that receive government grants would promote wider social benefits and expand the impact of tax-payer dollars.

2. *Create new legal structure to support social enterprises (profit for purpose organizations)*

While social enterprises (also called profit for purpose organizations) already exist in Alberta, there are limitations to existing legal structures. Creating a new legal structure to support profit for purpose and enabling housing providers to restructure would support developing financial reserves and creating profits to be reinvested into maintaining and expanding housing stock. Social enterprise models would also allow housing providers with internal expertise to develop their human resource and financial capacity to generate income through strategic services to cross-subsidize other areas of the organization.

3. Support capacity building in the housing sector through education and professional development opportunities

In other countries, such as the UK, the Netherlands and Australia, there are multiple opportunities for formal accredited housing education and there is a large body of professional practice in housing. Alberta and Canada lack a developed education system for housing professionals beyond property management and the residual nature of affordable housing has resulted in underdeveloped human resource capacity. There is a growing need for new staff and professionals in Alberta's affordable housing sector with specialized competencies. Dedicated funding for housing providers to support professional development opportunities for existing staff, such as certification through the Chartered Institute for Housing Canada, dedicated funding for scholarships and internships to recruit new talent, and dedicated incentives for post-secondary institutions to develop housing-related education to support students and research would all support capacity building in the sector.

4. Support housing research in Alberta by making data available open access

There is limited research on affordable housing in Canada and even less so in the Alberta context. Allowing access to data already collected by the Ministry of Seniors and Housing through open data would help increase the accessibility of data for researchers, ensure research is contextual and relevant to Alberta, contribute to evidence-based decision making, and help raise the profile of affordable housing for researchers across disciplines.

Theme 6: Modernize the Rent-Geared-to-Income (RGI) System

The RGI system is problematic for both customers and housing providers. Although many people who live in affordable housing are employed, income related rents disincentivize further employment or educational opportunities, as entering the workforce or earning higher wages can result in not only increased rent but also the loss of eligibility in the Alberta context. Further, income related rents can limit household mobility, which can also create work disincentives or restrict educational opportunities and create concentrations of poverty.¹⁷ The RGI system reinforces affordable housing as a residual safety net that is distinctly different from the private market and does not build financial literacy of customers or support transitions out of affordable housing to the private market. Further, the metric most commonly used to determine rent (30% of income) has also been shown to be a poor measure of affordability.¹⁸

For housing providers, the RGI system is largely recognized as an unviable operating model. Income-related rents are too low to cover maintenance and capital upgrades, let alone operating costs, resulting in deferred maintenance and issues of housing quality. Revenue instability due to changing rents also impacts housing providers' ability to access private financing to support new affordable housing.¹⁹ Overall, it is administratively burdensome for both tenants and housing providers.²⁰

For all these reasons, researchers and policy-makers in Canada and internationally recognize that this system is flawed. Relatively few countries globally use RGI in their affordable housing systems, and those that do – including Australia, New Zealand, the US, and Canada – are exploring reform. At the same time, the most “successful” affordable housing systems – where rents are affordable and predictable and housing providers are increasingly self-reliant, such as in Austria, Sweden and the Netherlands – use various systems of set rents. International research has shown that a system of set rents can be viable for housing providers and affordable for tenants, especially if done in collaboration with a portable housing allowance.²¹ While there are different options for set rents – whether indexed by unit size, income or operating costs, or done in conjunction with a housing allowance such as the new Canada Housing Benefit – the concept of set rents has demonstrated value in rent predictability for tenants and revenue stability for housing providers.

1. Modernize the RGI system by moving to a system of affordable set rents

A modernized rent setting system based on set affordable rents empowers customers by providing choice and agency, removes disincentives for employment opportunities, and increases revenue stability for housing providers.

Summary

These themes and actions are mutually beneficial – for example, encouraging social procurement in housing contracts can facilitate education and employment opportunities for customers, and removing administrative barriers can support better customer outcomes by freeing housing provider capacity and making the system easier to navigate. Collectively, these actions support our vision of an affordable housing sector that is sustainable and has the tools to better meet the needs of customers.

Short term Recommendations

Customer Service and Experience

1. Simplify income calculation procedures under the *Social Housing Accommodation Regulation*
2. Establish an information sharing agreement with the Canada Revenue Agency
3. Simplify rent adjustment procedures under the *Social Housing Accommodation Regulation*
4. Eliminate asset testing as a requirement under the *Social Housing Accommodation Regulation* for Community Housing and rent supplement eligibility
5. Amend eligibility requirements for Community Housing and rent supplements to allow privately sponsored individuals

Housing Sector Sustainability and Innovation

6. Provide three-year operating budgets to support long term planning and consistency for customers
7. Encourage social procurement for projects that receive government funding to promote wider social benefits
8. Support housing research in Alberta by making data open access

Glossary of Terms

Affordable Housing: According to the Canada Mortgage and Housing Corporation, housing is considered affordable if a household spends less than 30% of its gross (before-tax) income on adequate shelter²². In this context, adequate shelter costs for renters are assumed to include rent payments, utilities and essential municipal services. For home owners, shelter costs include mortgage payments, property taxes, condo fees, utilities and essential municipal services²³.

Building Condition Assessment (BCA): A Building Condition Assessment (BCA), also known as a Facility Condition Assessment (FCA), refers to a process in which the condition of a building, including its immediate and projected long-term maintenance costs, are assessed. The BCA provides comprehensive information on any existing or potential building deficiencies and predicts potential future maintenance or repair requirements²⁴. BCA's are useful for housing providers to better understand the current and future outlook of their portfolio and support long and short-term planning and decision making.

Canada Mortgage and Housing Corporation (CMHC): The Canada Mortgage and Housing Corporation (CMHC) is Canada's national housing agency. It is a crown corporation governed by a board and responsible to Parliament through the Minister of Housing. The CMHC works with various stakeholders including community organizations, the private sector, non-profit agencies and other levels of government to contribute to the stability of the financial system, facilitate access for Canadians in housing need, and conduct housing research²².

Community Housing: Capital Region Housing provides approximately 4500 homes in the Community Housing program. In this subsidized housing program, tenants pay an affordable rent amount, either 30% of their adjusted gross monthly household income or the core shelter rates if they are receiving Income Support.

Community Housing is located throughout the City of Edmonton and most homes are located near public parks, schools and public transit routes.

Capital Region Housing provides a variety of housing types, including townhouses and multi-family apartments. Some buildings also have Community Centers located on the property which provide services to both tenants and the wider community.

Community Housing is governed by the *Social Housing Accommodation Regulation* and *Housing Accommodation Tenancies Regulation* in addition to the *Residential Tenancies Act* and its regulations.

Facility Condition Index (FCI): Facility Condition Index (FCI) is a standardized asset management tool which measures the "constructed asset's condition at a specific point in time" (US Federal Real Property Council, 2008; as cited by BC Housing, 2011)²⁵. It is an indicator developed by analyzing different but related operational indicators (such as building repair needs). The result is a numerical value which provides an overview of a building's condition²⁵. A lower FCI value represents a better building condition.

Family (Privately) Sponsored Immigrant: Individuals who have immigrated to Canada from another country after being sponsored by a family member. The sponsor agrees to support the sponsored person for a specific amount of time (also called undertaking). Under section 9(2)(c)

of the *Social Housing Accommodation Regulation*, family sponsored immigrants are not eligible for Community Housing, Mixed Income Housing or rent supplement programs unless the sponsorship has broken down. See Immigration, Refugees and Citizenship Canada for more information about this citizenship status.

Housing Management Body (HMB): An independent entity created by ministerial order under the Alberta Housing Act. HMBs operate housing owned by the Alberta Social Housing Corporation and provide related services that align with the Alberta Housing Act and its regulations. They are governed by a board of directors. Currently, there are 102 HMBs operating in Alberta.

Near Market Housing: Capital Region Housing provides approximately 600 Near Market Housing homes. In this program, the rent is set about 10-20% below market rent for a similar sized unit in the area.

Near Market Housing is located throughout the City of Edmonton. Many Near Market homes are newer and have some appliances, underground parking, or balconies. Near Market homes are a mix of housing types, including townhouses and multi-family apartments. Most are located near services and amenities, including parks, schools, public transit, and shopping centers.

Near Market Housing is governed by the *Residential Tenancies Act* and its regulations and operating agreements between Capital Region Housing and grant providers.

Rent Geared-to-Income (RGI): RGI refers to a rent amount that is a set percentage of household income. Affordable rent is considered 30% of gross household income. All programs offered by Capital Region Housing (except for Near Market Housing), use 30% rent geared-to-income to calculate rent or supplement amounts, except when a household is receiving a social allowance (e.g. Income Support).

Rent Supplement: Capital Region Housing administers two rent supplement programs on behalf of the Government of Alberta.

Direct Rent Supplement: Recipient households live in private rental homes and receive a monthly supplement amount to help make their rent more affordable. This program is administered within the City of Edmonton and surrounding communities.

The Direct Rent Supplement program is governed by the *Rent Supplement Regulation* and the *Social Housing Accommodation Regulation*.

Private Landlord Rent Supplement: Recipient households live in private rental homes and pay an affordable rent to their landlord. Capital Region Housing pays a monthly rent supplement amount to the landlord to compensate for the difference between the tenant's affordable rent and the market rent. This program is administered within the City of Edmonton and surrounding communities.

The Private Landlord Rent Supplement program is governed by the *Rent Supplement Regulation* and the *Social Housing Accommodation Regulation*.

Social Allowance: Also known as Income Support, this refers to any full or partial payment received under *the Income Supports, Health and Training Benefits Regulation* and any payment under a social assistance program of the Government of Canada (section 1(1)(l) of the *Social Housing Accommodation Regulation*).

¹ Statistics Canada. (2017). *Census Profile, 2016 Census – Alberta [Province]*.

² Richardson, J. (2010). *Housing and the Customer: Understanding Needs and Delivering Services*. The Chartered Institute of Housing: Coventry.

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- ⁴ Housing Partnership Canada. (2017). *Skillsets and Core Competencies to Facilitate Business Transformation in the Non-Profit Community Housing Sector*. Available from <http://www.housingpartnership.ca/resources-1/>.
- ⁵ Pomeroy, S & Marquis-Bissonnette, M. (2016). *Non-Housing Outcomes of Affordable Housing*. Prepared for Canada Mortgage and Housing Corporation. Available at https://carleton.ca/cure/wp-content/uploads/Non_Housing_Outcomes_of_Affordable_Housing.pdf
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