

Alberta's Action Plan for
the National Housing Strategy
2019 - 2022

Alberta's Action Plan for the National Housing Strategy
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Introduction

On March 15, 2019, the Alberta Social Housing Corporation (ASHC), on behalf of the Government of Alberta (GOA), and the Canada Mortgage and Housing Corporation (CMHC) signed the CMHC – Alberta Bilateral Agreement under the 2017 National Housing Strategy (NHS) bilateral agreement.

The bilateral agreement will provide the province with funding under NHS for the time period of April 1, 2018 to March 31, 2028. Under the bilateral agreement, there are three cost-matched funding programs: Alberta Priorities, the Canada Community Housing Initiative (CCHI), and the Canada Housing Benefit (CHB). The bilateral agreement sets out the terms and conditions of the federal funding and outlines program requirements, targets, and outcomes.

In addition to the three cost-matched initiatives, the bilateral agreement also includes a commitment for joint collaboration on two federally-led NHS programs: the National Housing Co-Investment Fund and the Federal Lands Initiative. Outside of the scope of the bilateral agreement, NHS also includes unilateral federal initiatives. CMHC is leading, and will deliver, the NHS federal initiatives.

As part of the terms and conditions of the bilateral agreement, Alberta will develop three-year action plans to guide housing initiatives in the province and describe proposed programs and program funding allocations under the three cost-matched funding streams. This first action plan covers the three-year time period between April 1, 2019 and March 31, 2022, and may be modified or amended, with agreement of CMHC, depending on Alberta's social and economic environment.

The actions and outcomes described in this action plan are only those associated with housing initiatives and funding requirements under the bilateral agreement, and may not include the entire suite of programs and funding the province delivers. Alberta will use funds provided under NHS to maintain, improve, renew, and expand affordable housing, as well as support priorities related to affordability assistance.

The action plan includes three sections:

- Alberta Context;
- Cost-Match Funding Approach; and
- Targets and Outcomes.

Section 1: Alberta Context

Housing Market Overview

The majority of housing for Albertans is provided through the marketplace, with 96 per cent of Alberta households either owning or renting their home in the private market. Approximately 65,000 (4 per cent) Alberta households are currently served through affordable housing programs as GOA works with a variety of community partners, including municipalities, housing management bodies (HMBs), nonprofit and private sector organizations, to build and operate affordable housing for Albertans with low income (Alberta's affordable housing programs are more fully described in section 2 of the action plan). There are currently 19,000 households that have been assessed as eligible, and are on waitlists for affordable housing programs across the province.

According to the 2016 Canadian Census, there were 164,275 households in core housing need in Alberta, representing 11.4 per cent of all households. This is a slight increase from 10.7 per cent of households in core housing need in 2011. A household is in core housing need if they live in a dwelling that is either inadequate, unaffordable or unsuitable, and would have to pay more than 30 per cent of its income to obtain comparable market housing.

Broken down further, in 2016, 24.7 per cent of rental households in Alberta were in core housing need, including 45.3 per cent of senior-led rental households and 42.3 per cent of lone-parent rental households. Additionally, 30.3 per cent of Aboriginal rental households were in core housing need.

Geographically, Alberta's major municipal centres had the following percentage of renter households in core housing need in 2016:

- Edmonton – 24.1 per cent
- Calgary – 21.9 per cent
- Red Deer – 23.9 per cent
- Lethbridge – 19.0 per cent
- Medicine Hat – 21.6 per cent
- Grande Prairie – 19.6 per cent
- Wood Buffalo (Fort McMurray) – 13.8 per cent

Alberta's rural housing markets are susceptible to variations based on geography, economic conditions, limited supply, demographic shifts and program delivery challenges. In 2016, 19.4 per cent of northern renter households were in core housing need, as were 18.5 per cent of southern rental households.

Alberta will take actions that will continue to remove households from core housing need, such as continuing to provide rent geared-to-income housing through the Family and Community Housing program. Alberta will also take actions that will reduce the affordability component of housing need for households, such as providing rent supplements or considering offering rents at varied levels.

Housing Priorities

Alberta is dedicated to establishing a financially sustainable housing system. This commitment may include the building of mixed-income affordable housing, leveraging private sector contributions or exploring innovative financing agreements, such as public/private partnerships (P3s).

Through initiatives under NHS, Alberta will develop strategies to sustain the community-housing portfolio to contribute to the long-term viability and sustainability of the sector, while serving those in greatest need.

Increasing efficiency and reducing or eliminating red tape is another key priority for Alberta. This will include improving program design and delivery, regulatory analysis and streamlining reporting requirements that make sense in the Alberta context.

Support for Vulnerable Groups

NHS identifies the following targeted vulnerable groups: women and children fleeing domestic violence, seniors, Indigenous peoples, homeless people, people with disabilities, those dealing with mental health and addiction issues, veterans, young adults, racialized groups and newcomers.

Alberta does not currently collect information based on the demographics of the targeted vulnerable groups in NHS.

Alberta's housing programs that are regulated by the *Social Housing Accommodation Regulation* (SHAR) are subject to eligibility and prioritization requirements that align with the targeted groups listed in NHS in the following ways:

Eligibility (income) – to be eligible for regulated housing programs, households must be under the Household Income Limit. This ensures that support is provided to vulnerable low-income households.

Prioritization for homeless – those who have recently graduated from the Housing First Program are given higher priority under SHAR.

Prioritization for those fleeing family violence – households fleeing family violence are given higher priority under SHAR.

Prioritization for dependents – households with dependents (overrepresented by women in single-parent households), are given higher priority under SHAR.

Seniors programming – both the Seniors' Self-Contained Program and the Seniors' Lodge Program are targeted towards senior households.

Through the Ministry of Culture, Multiculturalism and Status of Women, Alberta is committed to advancing gender equality, multiculturalism and inclusion. Alberta works with key partners, communities and all orders of government to address and prevent gender-based violence and violence against Indigenous women and girls and the LGBTQ2S+ community.

A key GOA priority is collaborating within government ministries to ensure gender and intersectional analysis is consistently applied to evidence-based decision making at all phases in the development and review of programs, policies and services. This supports an enterprise-wide approach to advancing gender equality in policy and decision-making, including exploring a variety of policy tools and initiatives that support the economic security of women, girls, the LGBTQ2S+ community and vulnerable populations.

These commitments are applied to housing program and policy development work undertaken by Seniors and Housing. For example, a Gender Based Analysis Plus analysis was completed as part of the development of the Indigenous Housing Capital Program.

Alberta is committed to providing effective housing programs for its senior population. Currently, 54 per cent of households served by housing programs in the province are senior-led households. As Alberta's population continues to age, Alberta will design and deliver programs that meet the unique housing needs of seniors.

Homelessness

In addition to providing housing programming, GOA delivers homelessness-serving programs, including emergency shelters, short-term transitional housing and long-term supportive housing. As part of a shared commitment to address chronic homelessness, GOA co-ordinates its housing and homelessness programs by undertaking a systems planning approach to ensure the best service delivery for Albertans, including considering joint capital planning decisions.

Livable and Inclusive Communities

Alberta recognizes the importance of creating livable and inclusive communities and housing that is easily accessible to health services, education, early learning and childcare facilities, employment opportunities, and public transit in the community. Working with local housing stakeholders to consider these factors helps to ensure that housing program and construction decisions contribute to innovative and vibrant communities.

Accessibility

Alberta is committed to improving the accessibility of affordable housing in the province. Adapting existing units and building accessible units allows tenants experiencing disabilities to live safely and independently in their homes. New construction projects are subject to the accessibility standards set out in the *Safety Codes Act*, and Alberta is committed to ensuring that 10 per cent of units will be built using barrier-free design.

Environmental Sustainability and Employment Benefits

Alberta requires new construction and renovations for affordable housing meet the highest standard of energy efficiency that is practical. While it is not always feasible for renovations to meet national building standards, energy efficiency and accessibility improvements will be made where possible.

Affordable housing projects, whether new construction or renovations, provide employment opportunities for housing contractors and construction trades workers. These projects also bolster the supply chain, and can provide management and service jobs after construction is complete.

Alberta is strongly committed to apprenticeship training, including increasing the number of students placed with employers in paid apprenticeships and creating a trade scholarship fund. Recognizing the value of the trades and vocational training will help ensure Alberta has the workforce to plan and build affordable housing and other infrastructure projects in the province.

Engagement and Partnerships

Alberta engages with a broad and diverse group of housing stakeholders and participants in relation to the development and operation of its housing programs. The province engages with these stakeholders in a variety of ways. Stakeholders provide valuable insight and information to identify housing opportunities and challenges.

Regulated affordable housing programs in Alberta are delivered primarily by HMBs, which are legislated to administer government owned or supported housing on behalf of the province. Private/nonprofits and co-operatives also provide affordable housing in Alberta. Non-regulated affordable grant agreements may be administered by HMBs, nonprofits, municipalities, or the private sector.

Several municipalities in Alberta offer their own housing programs and funding, and may operate housing supported by other orders of government. Municipalities also provide funding to the Seniors' Lodge Program through the requisition process.

There are a number of housing and homelessness advocacy groups that are active in the province, including Alberta Seniors Communities and Housing Association, Alberta Network of Public Housing Agencies, Alberta Public Housing Administrators Association, Homeward Trust and Calgary Homeless Foundation.

The province formally participates in the Big Cities Housing Collaborative with Edmonton and Calgary to discuss housing issues, identify joint-priorities, and set strategic direction. The collaborative includes participation from several Government of Alberta departments and representatives from CMHC. The Big Cities Housing Collaborative meets quarterly and includes discussion on the key elements of the National Housing Strategy, including providing updates on the bilateral agreement and National Housing Co-Investment Fund.

As part of the co-development process of the CHB program design, the Ministry of Seniors and Housing worked with the federal government to deliver Solutions Labs, which brought experts in community housing and stakeholders together to discuss current housing pressures and opportunities. The Solutions Labs included a review of current provincial housing programs, analysis of provincial and federal housing data, and workshops with stakeholders across Alberta to understand current housing challenges in the province, and to generate ideas for supporting those most in need of affordable housing. The Solutions Labs were held in Calgary and Edmonton.

A Minister's Advisory Committee for housing meets regularly to provide insight and advice on strategies to make life better for seniors and people with low income, implement government priorities, produce red tape reduction ideas, identify strengths and key challenges, and address emerging issues in the housing sector. The Advisory Committee includes nonprofit and private sector representation to provide a broad range of housing input.

Consultations with these stakeholders have helped inform the 2019-2022 action plan, and Alberta will continue to use information and input from stakeholders and others to plan future investments in housing.

Alberta Housing Programs

Alberta offers a range of housing programs, a majority of which are regulated under the *Alberta Housing Act*.

Family and Community Housing Program

- Provides subsidized rental housing to low-income families, seniors and individuals.
- Eligibility and prioritization is governed by SHAR.
- Provides rent geared-to-income support to tenants.
- Approximately 10,800 rental units available across the province.
- Operated by HMBs who are provided deficit funding by the province to cover operational costs.

Seniors' Self-Contained Program

- Provides apartment-style housing to seniors who are able to live independently, with or without assistance of community-based services.
- Unique part of the Family and Community Housing Program and subject to the same parameters and conditions.
- Approximately 14,300 rental units available across the province.

Special Needs Housing

- Special Needs Housing is owned and operated by HMBs, municipalities and nonprofit providers, and is available for individuals who have special housing needs, including people with developmental disabilities; people with physical challenges; victims of family violence, wards of the provincial government; the hard-to-house; or any other group with special housing needs.
- Special needs housing is deficit funded by the province to cover operational costs.
- Includes 507 units owned by the Metis Urban Housing Corporation.

Seniors' Lodge Program

- The Seniors' Lodge Program offers rooms, meals, services, and recreational opportunities to seniors who are functionally independently, with or without assistance of community-based services.
- The program serves low- to moderate-income seniors who are prioritized by income and housing need.
- Accommodation charges must leave tenants with at least \$322 per month in disposable income.
- Approximately 10,400 units available across the province.
- Seniors' Lodge Program is not part of the *Social Housing Agreement*.

Rent Supplement Programs

- Private Landlord Rent Supplement and Direct to Tenant Rent Supplement programs help households find affordable rental accommodation by providing rent subsidies in eligible rental projects.
- Eligibility and prioritization is determined under SHAR.

Capital Maintenance and Renewal

- Funding dedicated towards the preservation, maintenance and renewal of existing affordable housing.

Capital Development

- Provincial spending to build/renovate new government owned and/or supported affordable housing.

Section 2: Cost-Match Funding Approach

To meet cost-match conditions agreed to in the bilateral agreement, Alberta will set budget targets that will account for both the federal and provincial NHS cash contributions. Under these budget targets, Alberta will use unilateral provincial spending from its housing programs and initiatives to meet its cost-match obligations and claim federal contributions.

All cost-matched provincial spending on housing programs and initiatives will contribute to the maintenance, improvement, renewal, or expansion of affordable housing (including community and social housing), or provide affordability assistance support (rent supplements) to individuals.

Alberta's cost-match contributions will include provincial spending on housing operations, administration, planning, housing support services, rent supplements to households, capital maintenance/repair and new capital investment. The majority of Alberta's cost-match spending is expected to come from existing programming, although new housing programs and initiatives may be considered over the life of the bilateral agreement.

Alberta will set budget targets that reflect a cumulative cost-match obligation over the duration of the bilateral agreement. Federal cash contributions will not exceed the pre-determined funding amount over the term of the agreement.

Baseline of Social Housing

Through the bilateral agreement, Alberta committed to ensuring the same number of Social Housing and Community Housing units under the *Social Housing Agreement*, as of March 31, 2019, will continue to be offered as either Social Housing or Community Housing over the course of the bilateral agreement.

This baseline of social housing was agreed to as:

- 23,700 Social Housing units, of which 21,933 are low income; and
- 507 Urban Native Social Housing units, all of which are low income.

Maintaining this baseline of social housing as either continued social or community housing units will combine funding under the bilateral agreement and funding for units under the *Social Housing Agreement*. After individual operating agreements under the *Social Housing Agreement* expire, some units may be maintained through existing social housing programming in Alberta (i.e., Family and Community Housing), or units may be maintained through different or new housing programs (such as rent supplements or capital initiatives).

Canada Community Housing Initiative

Alberta will use federal CCHI funding in combination with funding under the *Social Housing Agreement* to continue to maintain the baseline number of social housing units in the province.

Alberta's goals focus on helping those in greatest need by making housing more affordable, providing housing options centered on Albertans, and strengthening partnerships with those in the housing sector. These objectives will be reached through the renovation and repair of existing units in the housing portfolio, re-investment in the Capital Maintenance and Renewal program, and affordability support.

CCHI funding may also contribute to offsetting operating deficits accrued in the Family and Community Housing and Special Needs Programs, or the construction of new units.

Alberta Priority Funding

The province will use Alberta Priority funding to help achieve its housing objectives based on context and needs. This may include new construction to support mixed-income projects that will improve the financial sustainability of the housing system and promote social inclusion for tenants.

Alberta Priority funding may also be used towards operating deficits for social housing, maintenance, repair, and renewal of units or rent supplements.

Canada Housing Benefit

Alberta and the federal government will continue to work together to co-design CHB.

Financial and funding details, program design and mutually agreed to targets and outcomes will be added to this action plan after the completion of a CHB Addendum under the bilateral agreement.

Section 3: Targets and Outcomes

The federally developed targets in NHS inform Alberta's targets represented below. The tables in this section outline Alberta's contribution to the national targets.

Alberta's cost-matching contributions are also reflected in this section. **Table 1** indicates federal NHS funding per-year. 2019/20 – \$25.4M. 2020/21 – \$22.5M. 2021/22 – \$24.3M.

Table 3 indicates the budget targets that Alberta will use for provincial costing-matching under NHS by initiative.

Alberta will report on progress towards the goals and actions identified in this action plan on a biannual basis. The progress reports will provide results for the expected targets and outcomes listed in the tables below.

Tables

Table 1: Targets and Outcomes for expected results overall

		Targets (Units)									
		2019-20 Target and Funding		2020-21 Target and Funding		2021-22 Target and Funding		3 Year Cumulative Total Target and Funding		2019/20 to 2027/28 Target	
Outcome	Expected Results	Units	(\$M)	Units	(\$M)	Units	(\$M)	Units	(\$M)	Units	(\$M)
Maintain and increase social housing supply	Units continue to be offered in social housing ^{1,2}	1,344	\$1.4	954	\$2.4	1,815	\$9.3	4,113	\$13.1	15,447 ³	\$57.2
	Expand social and community housing units overall by 15 per cent ^{4,5}	334	\$19.3	280	\$15.4	267	\$10.4	881	\$45.1	3,555	\$239.2
	No net loss of Indigenous housing units available to low-income households ^{6,7}	0	\$0	0	\$0	0	\$0	0	\$0	507	\$9.5
Repair existing stock	At least 20 per cent of existing social housing units repaired ^{8,9}	527	\$4.7	527	\$4.7	527	\$4.7	1,581	\$14.1	4740	\$42.7
	Retained Indigenous housing units are repaired to good condition ¹⁰	56	\$0.5	56	\$0.5	56	\$0.5	168	\$1.5	507	4.6

¹ Units represent units that will be expired under the SHA agreement in the applicable fiscal year and continue to be offered under the social housing portfolio.

² Amounts (\$M) represent the historical net deficit funding (i.e., net deficit generating units offset by net surplus generating units) to maintain the expired units that continue to be offered under the social housing portfolio.

³ This represents the total # of units that will be maintained in the timeframe of the agreement, as part of the 23,700 baseline units.

⁴ Units represent the amount of new units from capital projects approved post April 1, 2018.

⁵ Amounts (\$M) reflect the remaining portion of available NHS funding for the applicable fiscal year that will be used towards our capital projects approved post April 1, 2018. The NHS remaining portion for the applicable fiscal year is calculated as total available NHS funding less amounts allocated to social housing and repair costs.

⁶ All 507 units are maintained through funding under the *Social Housing Agreement* in the first three years. As these agreements under the *Social Housing Agreement* begin to expire, they will be reflected in future action plans.

⁷ Units and costs in this row are included in the “Units continue to be offered in social housing” row.

⁸ Repaired units represent 20 per cent of the baseline (23,700 units), flat lined over nine years.

⁹ Amounts (\$M) represent the average cost (approximately \$9K per unit) to maintained the targeted repaired units in the applicable fiscal year.

¹⁰ Units and costs in this row are included in the “At least 20 per cent of existing social housing units repaired” row.

Table 2: Expected number of households for which Housing Need will be addressed by Initiative¹¹

Initiative	Target (Households)				
	2019-20	2020-21	2021-22	3 Year Cumulative Total	2019/20 to 2027/28 Target
Alberta Priorities Housing Initiative	861	807	794	2,462	8,295
Canada Community Housing Initiative	1,344	954	1,815	4,113	15,447
Canada Housing Benefit	–	TBD	TBD	TBD	TBD
Total	2,205	1,761	2,609	6,575	23,742

Table 3: Planned Cost-Matched Funding per Initiative¹²

Initiative	Planned Cost-Matching			
	2019-20 (\$M)	2020-21 (\$M)	2021-22 (\$M)	Total (\$M)
Alberta Priorities Housing Initiative	\$21.3	\$13.6	\$11.5	\$46.4
Canada Community Housing Initiative	\$4.1	\$35.6	\$22.4	\$62.1
Canada Housing Benefit	TBD	TBD	TBD	TBD
Total	\$25.4	\$49.2	\$33.9	\$108.5

¹¹ Alberta Priorities Housing Initiative units represent new units that will be created from capital projects approved post April 1, 2018 and units that will be repaired in the applicable fiscal year.

Canada Community Housing Initiative (CCHI) units represent units that will be expired under the SHA agreement in the applicable fiscal year and continue to be offered under the social housing portfolio.

¹² Amounts under both initiatives include operating and capital expenditures. The amount allocated to Alberta Priorities is the minimum cost match required under this initiative and the remainder planned cost match is allocated to Canada Community Housing Initiative.

Table 4: Planned funding and indicators to achieve overall targets¹³

Indicator: Number of households for which Housing Need is addressed	Target (Households)								
	2019-20 Target and Funding (\$M)		2020-21 Target and Funding (\$M)		2021-22 Target and Funding (\$M)		3 Year Cumulative Total Target and Funding (\$M)		2019/20 to 2027/28 Target
	Units	(\$M)	Units	(\$M)	Units	(\$M)	Units	(\$M)	Units
New Construction	334	\$19.3	280	\$15.4	267	\$10.4	881	\$45.1	3,555
Repaired/ Renewed	527	\$4.7	527	\$4.7	527	\$4.7	1,581	\$14.1	4,740
<u>Affordability Assistance</u>	1,344	\$1.4	954	\$2.4	1,270	\$5.1	3,568	\$8.9	12,620
<i>Project based subsidy</i>									
<i>Affordability Assistance to the household</i>	0	\$0	0	\$0	545	\$4.2	545	\$4.2	2,827
Total	2,205	\$25.4	1,761	\$22.6	2,609	\$24.4	6,575	\$72.4	23,742

¹³ All footnotes from Table 1 apply to Table 4.

Table 5: Housing units considered accessible

Indicator: Housing units considered accessible ¹⁴	Target (Units)								
	2019-20 Target and Funding (\$M)		2020-21 Target and Funding (\$M)		2021-22 Target and Funding (\$M)		3 Year Cumulative Total Target and Funding (\$M)		2019/20 to 2027/28 Target
	Units	(\$M)	Units	(\$M)	Units	(\$M)	Units	(\$M)	Units
New Construction	33	\$1.9	28	\$1.6	27	\$1.0	88	\$4.5	356
Repaired/ Renewed	53	\$0.5	53	\$0.5	53	\$0.5	159	\$1.5	474
Total	86	\$2.4	81	\$2.1	80	\$1.5	247	\$6	830

¹⁴ Considered accessible in a building as per the local building code.