

ALBERTA HOUSING COALITION



POSITION PAPER – EXECUTIVE SUMMARY

The Alberta Housing Coalition is the provincial voice advocating for affordable, safe, appropriate housing options. The Coalition has the following recommendations for all three orders of government and private housing developers to facilitate and enable more effective partnerships with the for-profit and non-profit sectors to meet the province's affordable housing needs, both now and in the future.

All orders of Government:

- Publicly recognize housing affordability and homelessness as a Human Rights issue.
- Commit to better integration and coordination of housing policies, programs, Ministries and Departments with other sectors such as health, education, social services and community economic development; recognizing that policy changes in these areas may have repercussions for affordable housing and homelessness

Federal Government:

- Pledge a ten-year commitment to Federal funding for affordable housing and homelessness
- Develop and implement a National Housing Policy and Strategic Plan that includes:
 - A commitment of \$2 billion annually (for the next ten years) for new social housing – the “One Percent Solution”
 - Amending the *Income Tax Act (Canada)* to reduce capital gains on donations of real estate to registered charities that provide affordable housing for low-income households and shelters for the homeless
 - Expanding the *Surplus Federal Real Property for Homelessness Initiative (SFRPHI)*
 - Amending Canada Revenue Agency (CRA) policies to allow registered charities to participate in mixed-income housing projects where up to a maximum 49% of units can be market units
 - Creating legislation similar to the U.S. *Community Reinvestment Act*
 - Amending CMHC underwriting policies to provide mortgage insurance for Community Land Trusts and other initiatives that guarantee permanently affordable housing
 - Providing additional funding support to affordable housing projects and shelters that incorporate energy efficient design and technologies
 - Matching dollar for dollar private donations to housing and homelessness charities
 - Reduction in the GST and capital gains rollover for affordable rental housing

Alberta Provincial Government:

- Pledge a ten-year commitment to match dollar for dollar Federal funding for affordable housing and homelessness
- Develop and implement a Provincial Housing Policy and Strategic Plan that includes:
 - Amending the *Municipal Government Act (MGA)* to allow municipalities:
 - to charge development fees for the additional social infrastructure required due to development
 - to increase the amount of municipal reserve required to be dedicated from new land developments (from the existing 10% to 12%) if the additional land is to be used for affordable housing
 - to enable municipalities to require a minimum percentage of all new housing development to be affordable and/or social housing
 - to use municipal reserve land and surplus school lands which are sold by the municipality to be used for affordable housing
 - to enable municipalities to use innovative approaches such as Value Latching to encourage more affordable housing development
 - Develop a policy and program similar to the *Surplus Federal Real Property for Homelessness Initiative (SFRPHI)* to donate surplus Crown Land to registered non-profits and charities to build and manage affordable housing and homeless shelters
 - Expand the *Affordable Housing Partnership Initiative (AHPI)* to provide funding for homeownership projects that guarantee permanent affordability
 - Provide additional funding support to affordable housing projects and homeless shelters that incorporate energy efficient design and technologies
 - Match dollar for dollar private donations to housing and homelessness charities
 - Restrict condominium conversions on existing affordable rental housing stock
 - Provide sustainable operating dollars for housing, homelessness and social service-related agencies
 - Commit to annual increases in both minimum wage and income supports (e.g., AISH and SFI) in accordance with standard *Cost of Living* increases for Provincial employees.

Municipal Governments:

- Recognize housing as a core municipal responsibility
- Develop and implement municipal housing plans to address current and future affordable housing needs in the community. Confirm flexibility, growth, and partnerships are built into these housing plans
- Establish an affordable housing and homelessness steering committee to keep housing issues on your local government's agenda

- Developing a policy and program similar to the *Surplus Federal Real Property for Homelessness Initiative* (SFRPHI) to donate surplus municipal land to registered non-profits and charities to build and manage affordable housing and homeless shelters
- Encourage innovative housing and zoning solutions (e.g., flexible housing and other convertible housing strategies, co-housing, Community Land Trusts, housing cooperatives, secondary suites, residential infill, resident collaboration in design, manufactured housing, and leased land)
- Encourage innovative financing solutions (e.g., second mortgages, Value Latching, and revolving equity funds)
- Partner with local non-profit and for-profit agencies that are involved in affordable housing development
- Designate a local representative to attend the Alberta Housing Coalition meetings to keep informed, share best practices, network and support provincial and federal advocacy initiatives; become a member, volunteer for a sub-committee or apply to become a Board member to represent your region
- Provide sustainable operating dollars for housing, homelessness and social service-related agencies through FCSS
- Reduce development fees by the percentage of *qualifying* affordable housing units in each new development

Housing Developers and Builders:

- Recognize affordable housing as a potential and viable niche market
- Incorporate a minimum percentage of affordable and/or social housing in all new housing developments
- Donate a nominal portion of all proceeds from the sale of new homes to local charities addressing affordable housing and homelessness
- Work with municipalities to explore innovative housing and zoning solutions (e.g., flexible housing and other convertible housing strategies, co-housing, Community Land Trusts, housing cooperatives, secondary suites, residential infill, resident collaboration in design, manufactured housing, and leased land)
- Explore opportunities to partner with local homeless shelters and the construction trades to help homeless individuals gain skills and employment in the construction industry
- Work with municipalities to explore innovative financing solutions (e.g., second mortgages, Value Latching, and revolving equity funds)

Did you know...

More than 50,000 people moved to Alberta between January and March of 2006. Unprecedented population growth is creating major supply and demand pressures on housing in communities of all sizes throughout the province.

Households are finding it increasingly difficult to purchase a first home!

- The City of Calgary has estimated that more than 58,000 households in Calgary cannot afford housing in the community. That's almost the entire population of Red Deer or Lethbridge! (City of Calgary Housing Fast Facts)
- The average cost of a single family home in Calgary in March 2006 was \$363,370. An average household would have to earn approximately \$89,500 in order to purchase that home. The average cost of a condominium was \$235,427, requiring an average income of approximately \$58,500.
- The average cost of a single family home in Edmonton in February 2006 was \$249,925. An average household would have to earn approximately \$62,000 in order to purchase that home. The average cost of a condominium was \$146,933, requiring an average income of \$36,500.
- The average cost of a single family home in Red Deer in 2005 was \$185,699. An average household would have to earn approximately \$46,000 in order to purchase that home.
- The Edmonton Mayor's Task Force has identified an immediate need for 5,000 housing units in the city with an additional 700 units required per year to keep pace with the growing need in Edmonton! (Edmonton Interim Community Plan on Homelessness 2003 – 2006)

The number of homeless people in our major centres continues to climb!

- Estimates indicate that as many as 50% of people living in Calgary's emergency shelters have jobs. Many are working for minimum wage and simply cannot afford market housing. In Red Deer, the estimates are as high as 75%!
- Since 1996, the number of homeless people in Calgary has grown more than 458% (The City of Calgary Biennial Homeless Count) while the total population of the city itself has only grown by approximately 28%. The number of homeless in Calgary is increasing at a rate 15 times faster than the total population!
- In 2003, there were 140 homeless families in Calgary (over 250 children) who slept in church basements. (Inn from the Cold)
- In October 2004, a total of 2,192 homeless adults and children were counted in the City of Edmonton. The number of homeless people in Edmonton has increased 14.5% since 2002! (Edmonton Housing Trust Fund Homeless Count 2004)
- Of the 2,192 homeless people in Edmonton, 1,452 were absolute homeless (i.e., without housing) and 740 were homeless people living in emergency shelters. There were 120 families counted with a total of 276 children under the age of seventeen! (Edmonton Housing Trust Fund Homeless Count 2004)
- The lack of sufficient affordable housing is increasing the number of homeless people in our towns and cities. As a result, people are resorting to living in emergency shelters, sleeping in abandoned houses, warehouses and garages, living out of their vehicles, or wandering the streets at night and sleeping at drop-in centres, malls and parkades during the day.

To comment on this position paper or to become involved with the Alberta Housing Coalition's quest to ensure "housing options for ALL Albertans" contact us at: info@AlbertaHousingCoalition.ca