
Stronger Foundations

Alberta's 10-year strategy to improve and expand affordable housing



Stronger Foundations: Alberta's 10-year strategy to improve and expand affordable housing

Published by Alberta Seniors and Housing

Date of publication: November 2021

ISBN: 978-1-4601-5246-1

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Message from Minister Josephine Pon



Affordable housing for households with low income is critical to creating inclusive communities, and it is part of Alberta's Recovery Plan to breathe new life into our economy and create new opportunities for every Albertan. Over the next 10 years, Alberta's government will take bold action to provide more affordable housing options that meet the needs of Albertans with low income.

Nearly half a million Albertans spend more than 30 per cent of their income to put a roof over their heads, meaning it's more than they can afford. To make ends meet, many are forced to cut back on other needs, like food, medicine or clothing for their kids. Meanwhile, more than 110,000 Albertans live in provincially supported affordable housing, and the waitlists have doubled in the last decade to more than 24,000 households. Since 2019, government has built more than 1,500 new affordable housing units, but government investment alone cannot keep pace with the growing demand.

The situation is clear: something needs to change so Albertans with low income have access to affordable housing.

In June 2020, I tasked the Affordable Housing Review Panel (the panel) with identifying innovative ways we could serve Albertans in need of housing and make the best use of taxpayer dollars. We had some of Alberta's most experienced housing experts at the table. Their advice – combined with valuable insights from Albertans – helped us identify how we needed to transform affordable housing to result in more flexible, fair, and inclusive housing options.

Work is underway on many of the panel's recommendations. *Stronger Foundations: Alberta's 10 year strategy to improve and expand affordable housing* directly addresses its top recommendation, the development of a provincial strategic plan for affordable housing.

Stronger Foundations outlines how we will increase the availability of affordable housing for those in need, making it easier to access, navigate, and deliver housing programs to Albertans. It also guides how we will build more affordable housing, clarify the roles of government and its partners, and ensure long-term sustainability. We will encourage investment through innovative models (like mixed-income* developments and partnerships). This is one key way we can increase the number of households that can access affordable housing.

We also need to increase long-term collaboration with non-profits, housing providers and communities to deliver housing options that address local needs. That is why we will enable more local autonomy, while also ensuring greater stability for tenants and housing providers.

I offer my sincere appreciation to everyone who helped shape this vision. Special thanks go to the members of the panel, my Minister's Advisory Committee on Housing, the Technical Housing Advisory Team, and department staff. With the support of our partners, we will improve and expand Alberta's affordable housing system, now and into the future.

The strategy we detail in Stronger Foundations includes many significant changes. We will proceed thoughtfully and carefully over the next 10 years, and we will be mindful to protect the most vulnerable and ensure they are not left behind. We promised Albertans more affordable housing would be available for those who need it, including seniors and those with specialized needs. We are keeping that promise.

Josephine Pon
Minister of Seniors and Housing



Executive summary

The Affordable Housing Review Panel called for bold, transformative action to ensure more Albertans are able to access affordable housing. Housing is more than just infrastructure. Providing Albertans in need a place to call home ensures a strong foundation for social, economic, and community participation. Investment in housing is multiplied in economic returns. It creates jobs and pathways to employment, and provides stability that, in turn, contributes to reducing interactions in the health, social services and justice systems.

The panel's 19 recommendations called for Alberta's government to transform the affordable housing system to provide more flexible, fair and inclusive housing options. This Government of Alberta (GOA) strategy fulfills the panel's first recommendation – to focus on affordable housing by creating a strategic plan that provides goals, targets, and clear roles for government and its partners. Building a future where Albertans have access to safe, affordable housing that meets their needs and promotes quality of life will require partnerships, less red tape, and a better way of funding affordable housing.

Stronger Foundations: Alberta's 10-year strategy to improve and expand affordable housing focuses on the growth and evolution of the housing system. It includes 10-year goals and targets for affordable housing based on strategic government investments, and by enabling more non-government investment through partnerships. Timing of actions can be found in Appendix A: Implementation plan.

Through the Stronger Foundations strategy, Alberta's government aims to increase the number of households the affordable housing system can support by 25,000, which will help to address current and future demand. Approximately half of this target will be achieved through an increase in the supply of affordable housing stock (13,000 housing units) by maximizing federal funding available under the National Housing Strategy. It will also bring Alberta closer to the national average of affordable housing supply without putting the entire burden on taxpayers. The other half of this target will be achieved through an increase in rent supplements to support an additional 12,000 households. While this does not increase the housing supply, it will help households afford private market housing. Rent supplements can be ramped up much more quickly than building new units, so they will serve to provide more immediate relief to the demand for affordable housing.



Background and landscape

The Affordable Housing Review Panel

The Minister of Seniors and Housing appointed the expert independent panel in July 2020 to review Alberta's affordable housing system and engage with stakeholders on how to balance the need for financial sustainability with the growing demand for housing. Alberta's government accepted the panel's recommendations, and released the panel's [final report](#) in December 2020.

The panel's first recommendation was for the government to develop a provincial strategic plan for housing with short- and long-term objectives aimed at addressing Alberta's affordable housing needs and achieving housing stability for Albertans.

Stronger Foundations addresses the panel's first recommendation and outlines how the government will take action on the remaining panel recommendations (see Appendix B: Alignment with panel recommendations for details).

Stakeholder engagement

The panel sought perspectives from a wide range of stakeholders across Alberta through engagement sessions, interviews and email submissions in summer 2020.

It received input from Albertans in rural areas, small towns and big cities who live in affordable housing, individuals needing housing support, affordable housing advocates, housing management bodies (HMBs)*, residential developers and builders, private sector companies, municipalities, civil society organizations, and government advisory councils.

The Minister's Advisory Committee on Housing and the Technical Housing Advisory Team – which included members from housing providers and other experts in the housing field – provided advice and input on this strategy and how to best implement the panel's recommendations.

Affordable housing spectrum and current snapshot

Affordable housing spectrum

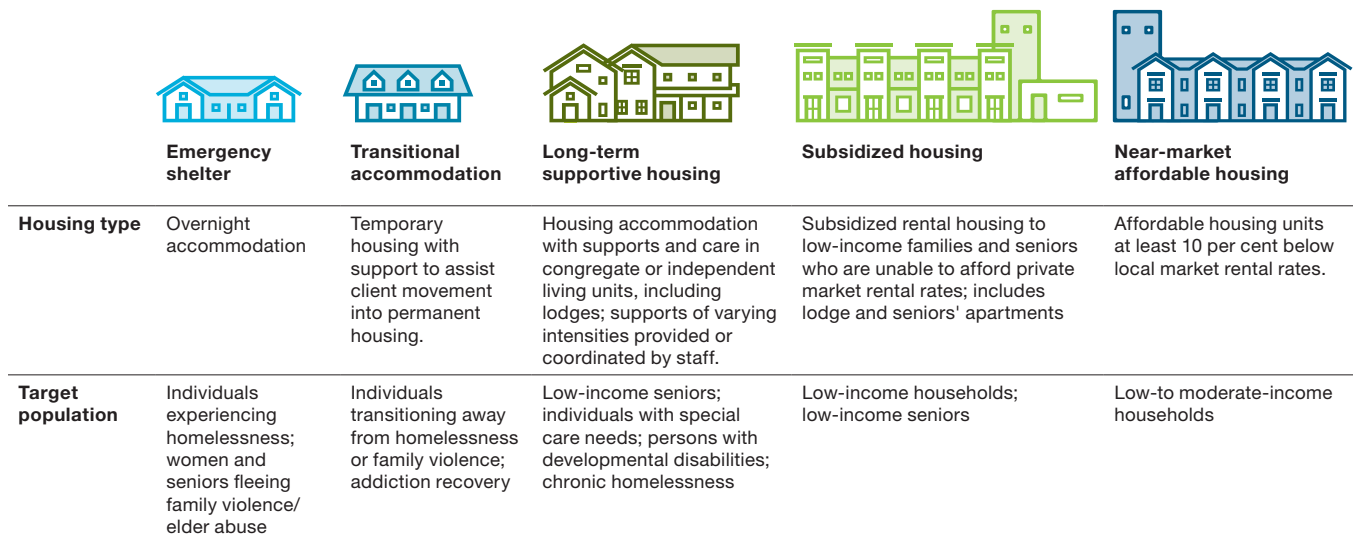


Figure 1 Affordable Housing Spectrum. Credit: Canada Mortgage and Housing Corporation

Affordable housing supports low-to-moderate income households that cannot attain housing at market rates. It also provides stability for vulnerable people who may have several barriers to accessing safe, suitable accommodations on their own (e.g. Albertans in receipt of Assured Income for the Severely Handicapped). In Alberta, affordable housing is provided by housing management bodies (HMBs) or private, non-profit operators to individuals and families in core housing need*. To determine which households are unable to afford market housing, the GOA uses income thresholds* for each region/community as identified each year by Canada Mortgage and Housing Corporation (CMHC). The thresholds are used to establish eligibility for most housing programs.

The Ministry of Seniors and Housing regulates several programs targeted to groups of Albertans with different needs:

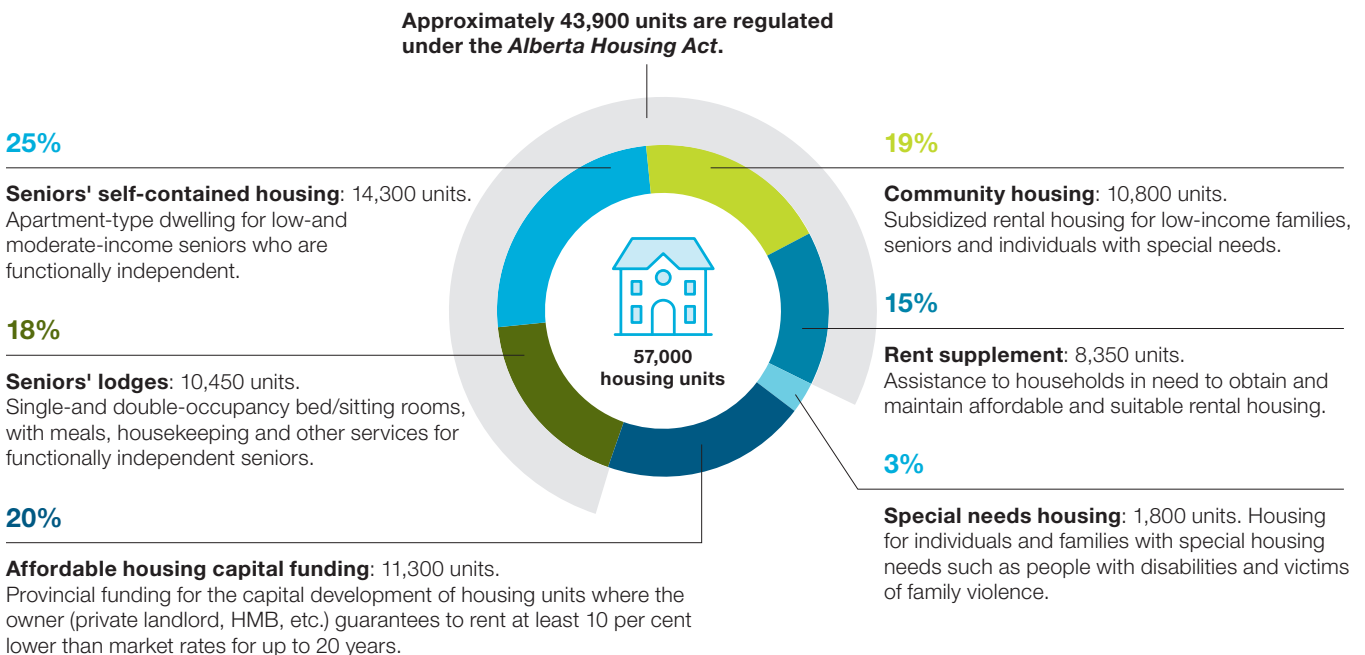
- **Community Housing:** A mix of single-family homes, apartments and townhomes, where the rent is based on 30 per cent of household income. Currently, this program prioritizes low-income households with dependents and less than \$25,000 in assets.
- **Seniors' Self-Contained Housing:** Apartments for low-income senior households, where the rent is based on 30 per cent of the seniors' annual income. This program is available to seniors who are able to live independently and prioritizes low-income seniors based on the degree of accessibility and percentage of income they pay for accommodations. There is no asset threshold*.
- **Seniors' Lodge:** Provides supportive living accommodation in a congregate living setting with meals, housekeeping and recreation activities. Rent is set by the lodge operator, but must leave each resident, 65 years of age or older, with a minimum of \$322 in disposable income each month. Low-income seniors who are functionally independent, with the assistance of existing community-based services and would not otherwise be appropriately provided for in a health care facility, are prioritized. There is no income or asset threshold* for a seniors' lodge.

- **Rent Supplement:** The Rent Supplement Program provides a subsidy directly to households for an accommodation of their choice to help make rent more affordable. There are two types of benefits under the program: the Rent Assistance Benefit (RAB) and the Temporary Rent Assistance Benefit (TRAB). RAB is a long-term benefit available to subsidize the rent for Albertans if they are below low income thresholds*, while TRAB provides a modest subsidy for working households with low income, or those between jobs, and is intended to help eligible tenants afford their rent while they stabilize or improve their situation. These benefits may not be available in all locations.
- **Specialized Housing:** Specialized Housing provides accommodation to targeted populations, including housing for Indigenous peoples, people with disabilities, people experiencing chronic homelessness, and people fleeing family violence. Specialized Housing is not regulated; housing providers receive grant funding, and generally set rent at 30 per cent of a household's income.

Alberta's government makes additional investment in affordable housing through capital funding. This includes the Indigenous Housing Capital Program, which supports Indigenous governments and communities to build affordable off-reserve, off-settlement, and on-settlement housing.

Along the housing continuum, supports are also provided to vulnerable Albertans with funding from partner ministries. Children's Services and Community and Social Services fund emergency shelters and transitional accommodations. Long-term supportive housing is funded and regulated by Community and Social Services and Health. While emergency shelters and long-term supportive housing were not part of the Affordable Housing Review, the strategy seeks to smooth transitions across the housing continuum. Access to housing accommodation that meets the needs of Albertans at different points in their lives is essential to their quality of life.

As of April 2021, Seniors and Housing programs provide a total of approximately 57,000 housing units, 43,900 of which are regulated under the *Alberta Housing Act*.



Affordable housing system challenges

The panel identified several challenges that must be addressed by Alberta’s government to increase access to safe, secure housing for Albertans in need. These challenges include:

Unmet demand for affordable housing: Demand for affordable housing in Alberta continues to grow. From 2011 to 2021, the population of Alberta grew by almost 22 per cent. Alberta had a population of 3.6 million in 2011, 4 million in 2016, and 4.4 million in 2021 (Census 2011, Census 2016, and Stat Can Population Estimates, Quarterly, 2021 Q2). Therefore, the number of households needing to access subsidized accommodations also increases every year. The economic downturn and impacts of the COVID-19 pandemic have contributed to growing demand.

There are approximately 57,000 households in government-subsidized housing, and more than 24,000 households are waiting for suitable subsidized accommodation. Based on the number of affordable housing units per 1,000 Albertans, Alberta’s social* and affordable housing represents 3.1 per cent of Alberta’s total housing stock, which is below the national average of 4.3 per cent. In order to meet growing demand, Alberta will need to use a variety of tools to support another 25,000 households.

From 2018 to 2020, the number of households waiting for subsidized housing increased by 34 per cent. Market rental rates are not affordable for a large number of Alberta households. Housing market changes do not align with shifts in household income or demographics, with housing prices and rental rates often lagging behind shifts in the economy and unique local conditions. The graphs below show rent increases over the past decade in Alberta and the rent amount that would be considered affordable for that household.

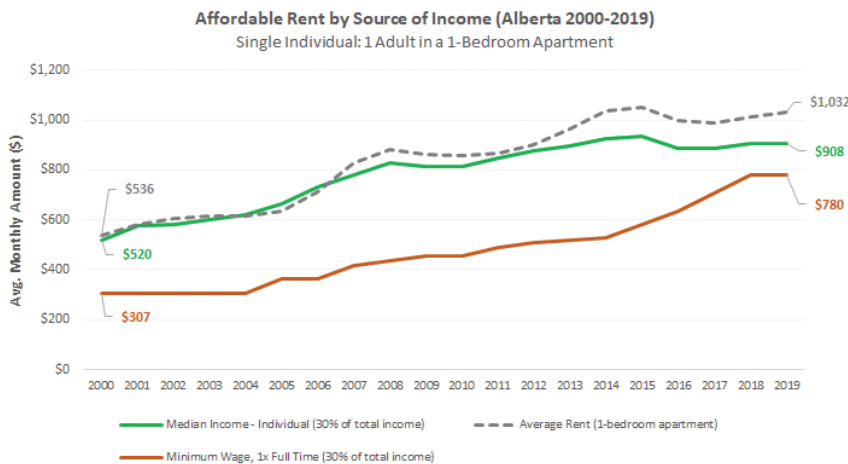


Figure 2 Affordable Rent by Source of Income (2000-2019, Single Person Household)

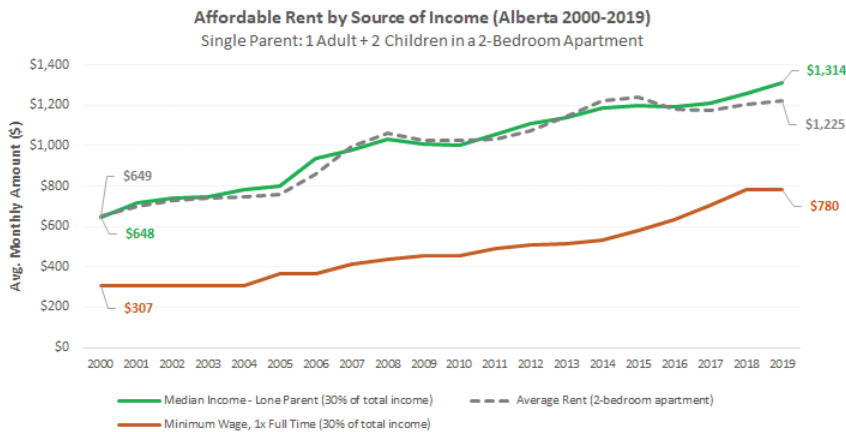


Figure 3 Affordable Rent by Source of Income (2000-2019, One Adult, Two Children Household)

Alberta’s affordability challenge is compounded by a misalignment between demand and unit availability. There are vacant units across the province, but these units may be located in areas with lower demand, are too small for households in need, or may be designated for specific purposes. For example, a community may have families on the waitlist for affordable housing, but only have units available in accommodation designated for seniors. Across the province, senior households represent a small portion of the Albertans waiting for affordable housing, compared to families and adults.

Aging infrastructure: The panel recommended government shift its role as a significant owner/operator of housing to a funder and regulator instead. Of the more than 57,000 social* housing units, the Alberta Social Housing Corporation (ASHC*) owns about 26,000. ASHC-owned real estate assets are on average about 35 years old, and many are in need of upgrades and repairs before they can be occupied. The result is fewer units are available for Albertans in need of affordable housing.

Limited opportunities for partnerships: Nearly 60 per cent of affordable housing owned by ASHC* operates under a strict regulatory structure, governed by the *Alberta Housing Act*. This structure limits opportunities for innovative and collaborative partnerships to provide housing. The success of this strategy relies on partnerships with other orders of government. The federal government, through agreements to support the National Housing Strategy, is investing in the expansion of affordable housing in Alberta. Municipal governments are owners, operators and funders of affordable housing, and have a significant role in enabling new developments through municipal bylaws and policies.

Expanding affordable housing to serve up to 25,000 more households over the next 10 years requires flexibility, innovation, and partnerships among all orders of government, communities, non-profit organizations, and the private sector. This strategy outlines the key actions that will support this goal.



Vision and key actions

Alberta's affordable housing vision:

- Albertans have access to safe, affordable housing that meets their needs and promotes quality of life.
- The housing system delivers innovative and sustainable affordable housing options to Albertans in need through partnerships with other orders of government, non-profit and private housing providers, and communities.
- The housing system serves Albertans now and into the future.

Stronger Foundations will transform the affordable housing system and result in the following shifts, making it more accessible, affordable and sustainable:

- Transition the GOA from being a significant owner and operator of housing stock into a regulator and funder, enabling and facilitating partnerships and collaboration.
- Reduce red tape in operating rules and prioritization, and allow for new operating models that enable housing providers to have the flexibility to serve local needs, and balance these needs with financial sustainability.
- Simplify processes and regulations for eligibility, prioritization and rent setting, creating a more transparent and fair system for Albertans who need housing supports*.
- Apply a more holistic approach to planning and project approvals, meeting diverse housing needs across the province.
- Direct more government spending to supports for households that need affordable housing, and less money into owning and maintaining real estate.

The following five Key Action areas will help us achieve the target of assisting up to 25,000 additional households over the next 10 years:

<p>1. Support Albertans most in need</p>	<p>Continue to protect the most vulnerable and ensure housing eligibility is fair, clear and equitable.</p> <ul style="list-style-type: none"> • Provide support to individuals and families who need long-term housing supports*. • Give housing providers more flexibility to support more Albertans who need safe, suitable housing.
<p>2. Improve access</p>	<p>Make it simpler for Albertans to access affordable housing supports, and easier for housing providers to deliver those supports.</p> <ul style="list-style-type: none"> • Reduce red tape to ease access to information and streamline processes for Albertans in housing need. • Ministries responsible for supporting people in housing need will help people move from one type of affordable housing to another, and will work with housing providers to increase supports for tenants.
<p>3. Increase capacity, planning and governance</p>	<p>Enable more collaboration and local decision-making and provide more flexibility and capacity to meet local housing needs.</p> <ul style="list-style-type: none"> • Change current planning practices and governance models to increase access to affordable housing that meets the diverse needs of Albertans and their communities. • Enable housing providers to use the knowledge of their communities to better meet local needs. • Work collaboratively with municipalities, housing management bodies (HMBs), and non-profit providers to enhance capacity.
<p>4. Enhance sustainability and efficiency</p>	<p>Make the affordable housing system more sustainable by enabling innovative operating models.</p> <ul style="list-style-type: none"> • For example, expand mixed-income* housing models to create more options for low-to-moderate income households.
<p>5. Enable growth and investment</p>	<p>Use innovative approaches for partnerships with the private and non-profit sectors to grow the supply of affordable housing.</p> <ul style="list-style-type: none"> • For example, develop a plan for ASHC* real estate assets to enable the development of new housing and to enhance the quality of existing social* housing.

Principles and goals

Alberta plans to reduce waiting lists and assist an additional 25,000 households by 2032, while also maintaining support for the more than 57,000 households currently relying on government-subsidized housing. This strategy is guided by the following set of principles recommended by the panel:

Principles

- **Shared responsibility and partnerships:** All partners in funding and delivering affordable housing have clearly defined roles, and work together to deliver safe, stable housing to Albertans in need.
- **Supports focus on people and adjust to meet different needs:** Affordable housing serves as a safety net and ramp for Albertans in need, providing prevention of homelessness due to unaffordable rent and pathways out of crisis to stability and safety. The affordable housing system gives Albertans choice and autonomy, and they are able to find housing that supports their needs at various points during their lives.
- **Fair, equitable and inclusive:** Housing programs and policies have clear criteria, and households and income are treated more equitably. There is a standardized method of assessing eligibility, priority and setting rent, which considers additional sources of income to ensure more households in need of support receive appropriate housing assistance.
- **Vulnerable Albertans are protected:** Future housing program and policy decisions will ensure that housing supports are available to those with very low income or with multiple barriers to accessing housing. Ministries will work together to ensure programs are complementary to provide co-ordinated support to Albertans in need.
- **Fiscal stewardship:** The affordable housing system is sustainable today and in the future through thoughtful planning and allocation of funding and investment. Housing providers operate under a framework that enables flexibility, while being held accountable through financial and regulatory oversight from government.
- **Flexible and adaptable to local and regional needs:** Since housing needs are different across communities, one size does not fit all. Policy and regulation gives housing providers and communities the power to make decisions about prioritization that meet local needs, and support target populations in ways that keep Albertans who need housing at the centre of decisions.

Goals

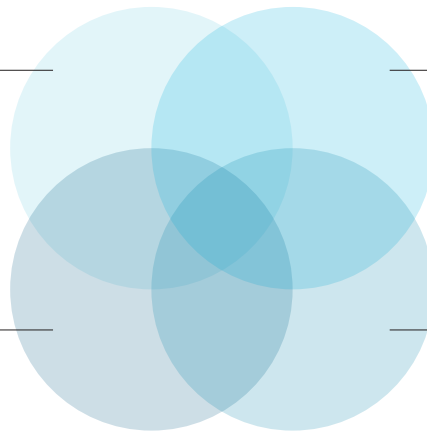
This strategy will transform the affordable housing system to improve outcomes for households, housing providers, communities, and the Government of Alberta as actions are implemented over time.

Household

- Housing stability and safety
- Social inclusion and economic participation
- Improved quality of life
- Empowered and enabled to make community connections

Owner/operator

- Greater autonomy and ability to leverage assets
- Responsive to local need
- Incentive to innovate



Community

- Neighbourhood revitalization
- Community safety
- Job creation
- Market gaps are addressed

GOA

- System alignment and cross-sector collaboration
- Financial sustainability
- Reduced core housing need

Support Albertans most in need

The panel, housing providers, and organizations serving Albertans in housing need were clear – an affordable housing strategy must protect the most vulnerable people in our province, and ensure they have access to affordable, adequate housing. Planned housing transformation initiatives must maintain government’s commitment to supporting vulnerable people.

The benefits of safe, stable, affordable housing are not equitably realized by all Albertans. The panel heard there are challenges for specific groups of vulnerable Albertans that should be addressed. Through this strategy, more Albertans who need help to find or maintain stable homes, but have not historically been able to access supports, will be able to get the assistance they need. This includes individuals and families with low or moderate income, including those with employment income who have historically not been able to access affordable housing supports*, and vulnerable people at risk of or experiencing homelessness.

Alberta’s government will work with partners to address the unique needs of specific groups, including (but not limited to):

Indigenous peoples

Indigenous people often face discrimination when trying to find affordable housing, and available housing may not meet their needs, particularly for multi-generational households. Through engagement, the panel heard the housing needs of Indigenous people in rural and urban communities are different. Municipal and First Nation governments and Métis organizations need access to a range of tools to support these needs. Alberta’s government will partner with Indigenous-led organizations to ensure housing meets these unique needs, and services provided to tenants are culturally appropriate.

People with disabilities

Most government-owned affordable housing is more than 35 years old, and does not meet the design standards for accessible housing. People with disabilities often find themselves on waitlists for housing that meets their needs, and frequently spend more than 30 per cent of their income on rent. Alberta’s government will work with partners to refresh existing housing stock to make more units accessible, and work with organizations serving people with disabilities to provide supports in the community.

Seniors

Alberta’s seniors population is growing, and its housing needs are diverse. The panel heard from seniors-serving organizations that seniors wish to age in community, and have access to housing that is designed to meet their needs and support their independence, empowering them to continue to be active participants in their communities. The panel also heard that seniors’ lodges are important community hubs, and should be maintained as vibrant community spaces, especially in rural communities. To support seniors, the government will ensure a diversity of spaces is available for older Albertans. This includes spaces that can accommodate multi-generational families, and provide integrated access to community supports. Alberta’s government will also work with partners to co-ordinate access to accommodation with different levels of care for seniors as their needs change, supporting smooth transitions across the housing continuum.

Target populations for initiatives in this strategy are low-to moderate-income:

- Indigenous peoples
- People with disabilities
- Women and children fleeing violence
- People at risk of homelessness or transitioning out of homelessness supports
- People at risk of health and safety in current accommodation

- Seniors
- People dealing with mental health and addiction
- Youth exiting government care
- Veterans
- Recent immigrants and refugees
- Racialized groups
- LBGTQ2S+ people

These target populations align with groups of people identified as those in greatest need in the Government of Canada's National Housing Strategy.

Objectives

- Continue to protect the most vulnerable
- Ensure eligibility is fair, clear and equitable
- Reduce red tape and increase flexibility for housing providers

Actions

To support Albertans most in need, the GOA will:

- Action 1.1: Continue to maintain income thresholds* for eligibility, as informed by CMHC's Housing Income Limits.
- Action 1.2: Clarify and standardize the income verification process so eligibility, priority and rent setting are more equitable and simplified.
- Action 1.3: Enable housing providers to prioritize target populations into affordable housing based on the local need.
- Action 1.4: Ensure a required number of target income groups (very low, low, and moderate) and target populations based on community need are prioritized.
- Action 1.5: Expand access for Indigenous communities through the GOA's Indigenous Housing Capital Program.
- Action 1.6: In collaboration with partner ministries across government, expand supportive housing for populations transitioning out of homelessness and requiring mental health and addiction support.
- Action 1.7: Increase seniors housing in line with population growth.

Focus on Indigenous Housing: Indigenous Housing Capital Program

The Indigenous Housing Capital Program (IHCP) supports Indigenous governments, organizations and communities to build affordable off-reserve, off-settlement and on-settlement housing. The program ensures a flexible, autonomous approach, and encourages public and private developers to partner with Indigenous governments and organizations. Alberta's government has committed about \$26 million to seven projects since 2019. It included Lethbridge, Edmonton (two projects), Calgary, Lac Ste Anne, Victor Lake and Cold Lake with additional announcements coming soon.

Improve access

The GOA is committed to improving access to affordable housing and to building pathways to other supports Albertans may need to empower and enable them to make connections to their communities and the economy.

The panel identified several barriers for Albertans who are seeking access to affordable housing. Households with moderate incomes are currently not prioritized for affordable housing. This means that even if they cannot afford market rent, they are unlikely to get access to housing supports*. In addition, applying for affordable housing can be complex and time consuming, sometimes requiring applicants to fill out multiple applications to various housing providers. The government is working to improve the experiences of individuals and households seeking affordable housing. In future, applicants will interact with a more efficient, co-ordinated system, and will have a central access point to find support.

People who are vulnerable often face unique or multiple barriers in accessing government programs and services, including housing. Seniors and Housing will work with other ministries to identify and address gaps in the delivery of co-ordinated supports for individuals living in or needing access to affordable accommodation. Reducing red tape for people who experience multiple barriers to accessing housing is essential to the strategy's success.

Objectives

- Make it easier for people who need affordable housing to access and navigate the affordable housing system
- Provide access to a continuum of supports, and a range of programs that meet individuals' different needs
- Provide housing that serves as a pathway to connect Albertans with health and social supports
- Reduce red tape for Albertans in affordable housing, or who are trying to access housing supports*

Actions

To improve access, the GOA will:

Action 2.1: Invest in a public online system, the Find Housing online tool, to enable Albertans to access a range of affordable housing options.

Action 2.2: Establish regional housing system navigator roles in collaboration with partner ministries and community partners.

Action 2.3: Work with partners to support housing literacy programs and access to housing information.

Action 2.4: Collaborate with partner ministries to co-ordinate supports and transitions for Albertans as they move through the housing continuum. This includes people receiving income support, youth exiting government care, women and children fleeing violence and seniors moving to higher levels of care.

Action 2.5: Work with housing operators to enhance support services or co-located services onsite, such as tenant support workers and services informed by awareness and sensitivity of Indigenous and other cultures.

Increase capacity, planning and governance

Alberta's current housing regulatory system is highly prescriptive, and limits opportunities for flexibility and partnerships. Regulated housing programs are administered by housing management bodies, which are corporations created under the *Alberta Housing Act*. They are constrained in their ability to make decisions about how they can best meet local need, and in the types of partnerships they may enter into. The panel and housing stakeholders made it clear that better co-ordination between housing providers, municipalities and the province is required to better support local needs, and to enable providers to balance these needs with sustainability. To enable housing providers to form new, innovative partnerships, the strategy includes actions which will help strengthen their governance capacity and amend regulatory controls to focus on outcomes.

Regional and municipal needs assessments can help improve capacity for meeting local needs. Through this strategy, communities will have access to a range of tools to help them meet the unique needs of their residents. To maximize investment and ensure co-ordinated supports for vulnerable Albertans, the government will work with municipalities, housing management bodies and non-profit providers to develop the capacity for needs assessments. This is particularly important in some rural and remote communities.

Increasing access to affordable housing that meets the diverse needs of Albertans and their communities requires changes to current governance models. The government will amend regulation to facilitate a shift to competency-based housing management body boards. Competency-based boards will strengthen governance and increase public confidence. Standardizing basic competencies would also help these boards assess their members' competencies and identify any existing gaps, enabling housing management bodies to selectively recruit for the needed skills and experience. This will help to ensure the right people are around the table to make more effective decisions. Competency-based recruitment will facilitate board succession planning, improving long-term planning for organizational stability and growth.

Objectives

- Enable more operational decision-making at the local level
- Increase operator flexibility by focusing on outcomes
- Increase sector capacity to deliver programs and meet outcomes
- Shift the GOA's role away from prescriptive regulatory structures to providing oversight and funding
- Reduce red tape for housing providers

Actions

To improve planning and governance, the GOA will:

Action 3.1: Co-ordinate planning with municipalities, regions, First Nation governments, Métis organizations and local housing providers.

Action 3.2: Encourage regional/municipal needs assessments to inform GOA and community planning.

Action 3.3: Establish three-year targets for programs and new housing development that are based on current and projected community need.

Action 3.4: Continue to work with housing management bodies and operators to improve efficiency, increase capacity, and expand local decision-making.

Action 3.5: Develop an operator performance-assessment framework and support capacity building.

Action 3.6: Ensure all operators follow best practices and housing management body board appointments are competency based.

Action 3.7: Increase the number of operating agreements with HMBs, non-profit and private sector housing providers.

Enhance sustainability and efficiency

The majority of affordable housing units in Alberta operate under highly prescriptive regulations. This limits incentives for both private and non-profit organizations to participate in developing and operating affordable housing. In the past, Alberta has focused on building new developments and ownership. Delivery has been primarily through regulated providers (housing management bodies), with deficit-funding provided by ASHC*.

To increase the supply and ensure long-term sustainability of affordable housing in Alberta, initiatives are planned to enable mixed-income* developments through operating agreements with HMBs and new partnerships with the non-profit and private sectors. These will serve the needs of low-and moderate-income households. Mixed-income* operating models will also provide more predictable and stable revenue streams for operators, which will enable access to financing for further reinvestment into affordable housing. Modernizing regulations and operating agreements to empower housing operators to make operational decisions will better serve local needs.

The panel also recommended the government work to maximize available federal funding to increase the supply of affordable housing in Alberta. As such, the government will continue to work in partnership with the federal government to access all available funding for housing initiatives.

Objectives

- Achieve greater sustainability in the affordable housing sector
- Enable multiple development and operating models that can be tailored to local need
- Target the deepest subsidies to those most in need
- Reduce the GOA's role in property ownership
- Maximize federal funding
- Enable operating revenues and asset monetization* so operators can fund more capital costs

Actions

To enhance sustainability and efficiency, the GOA will:

Action 4.1: Allow new and innovative operating and funding models.

Action 4.2: Gradually transition existing units to new operating models, while being sure to minimize disruption to tenants and prevent loss of deep subsidy units, and ensure those most in need have access to appropriate housing.

Action 4.3: Use real estate asset transfer and redevelopment opportunities to move from the prescriptive regulatory format to focus on outcomes and move to operating agreements that allow for innovative housing models such as mixed-income developments.

Action 4.4: For regulated, mixed-income* developments that provide community housing, set rents based on operating costs and below-market* target ranges.

Enable growth and investment

In March 2021, Alberta's government fulfilled the panel's recommendation to rebalance rent supplements to create a modest subsidy for individuals who are employed or recently unemployed, enabling them to stay in their homes, or find housing of their choice in the private market. The government redesigned the Rent Supplement Program and created two benefits: the Rent Assistance Benefit and the Temporary Rent Assistance Benefit. However, there is more work to be done.

Since 2019, more than 1,500 new affordable housing units have been built. Government investment alone, however, will not keep pace with Alberta's growing population, and will not be sufficient to meet demand. Partnerships with the private and non-profit sectors will help redevelop existing supply and build innovative new developments. Government will establish criteria and methodology to assess whether government-owned housing could be better managed by private or non-profit providers.

Opportunities exist to partner with private and non-profit organizations to renew and repurpose real estate assets, ensuring Albertans who need housing supports* have adequate, safe and appropriate accommodation. Opportunities also exist to improve collaboration and reduce red tape between orders of government and to improve transitions from affordable housing to market housing. Providing housing is a shared responsibility with all orders of government – municipal, provincial and federal. As housing demand increases and needs become more complex, co-ordination and partnerships among governments to deliver housing are increasingly important.

Objectives

- Leverage existing housing supply to meet growing demand for affordable housing
- Increase capital investment by partners and the GOA

Actions

To enable growth and investment, the GOA intends to:

Action 5.1: Create a partnership framework and program tailored to affordable housing.

Action 5.2: Develop and implement an affordable housing asset management framework which will optimize the ASHC* real estate asset portfolio by identifying properties for sale, transfer, retention or redevelopment.

Action 5.3: Develop a five-year maintenance and redevelopment plan for all government-owned assets and improve capital maintenance and renewal processes.

Action 5.4: Introduce new programs and incentives to grow the supply of affordable housing.

Action 5.5: Provide redevelopment grants to revitalize, densify, or repurpose existing housing with below market* rents.

Action 5.6: Work with partners to enable seniors' lodges to serve as community hubs in rural areas, and expand the Lodge Partnership Program to increase designated supportive living spaces in seniors' lodges where stand-alone continuing care facilities are not feasible.

Action 5.7: Reinvest proceeds from ASHC* real estate asset sales into the affordable housing system.

Action 5.8: Expand the use of rent supplements to better use existing rental market capacity.

Moving forward

10-year outcomes, measures and targets

OUTCOMES	MEASURES AND BASELINE DATA (2021)	TARGETS (2032)
Maximize the number of households served	Approximately 57,000 households served	Support up to 82,000 households (an increase of up to 25,000)
Reduce depth of housing need: <ul style="list-style-type: none"> Increase access to affordable housing for low-income households Reduce deepest housing need 	Approximately 170,000 households (11.4%) in core housing need* (Census 2016) 24,450 households (1.6%) on a waitlist	Reduce the number of low-income households paying more than 30% of income on housing Reduce the number of low-income households paying over 50% of income on housing Reduce the number of households on a waitlist by 30%
Grow a diverse supply of safe, stable, sustainable homes for: <ul style="list-style-type: none"> Vulnerable people Moderate need Affordable market/near-market housing 	Percent of social* and affordable housing stock for total population: AB: 3.1% Canada: 4.3% (Canada Housing Survey, 2018) In comparison, the average for Organisation for Economic Co operation and Development (OECD) countries is 7.9% (OECD)	Add 13,000 affordable housing stock units Increase number of accessible or adaptable units for people with special needs Increase housing available at 10 to 30% below average market rent
Increase household choice and flexibility of housing options	Households receiving rent supplement: approximately 12,000 Percentage of housing operators currently using mixed-income* development models is approximately 5%.	Double the number of households receiving rent supplement (an increase of 12,000) Increase proportion of operators using mixed-income* development models

Glossary

ASHC: The Alberta Social Housing Corporation (ASHC) is an entity of the Crown. The corporation operates as the administrative entity that holds housing assets and funding for housing programs.

Asset monetization: The conversion of a physical real estate asset, specifically lands and buildings owned by government through the ASHC, into cash through the sale of those properties.

Asset threshold: The maximum total asset value a household may possess for eligibility in certain affordable housing programs. This value is set at \$25,000 by the Social Housing Accommodation Regulation, but excludes the value of certain possessions, such as a vehicle, furniture, and savings in registered accounts.

Below-market: A form of affordable housing where the rent is lower than the actual market value. Rent is often set at a percentage below the local average market rent for the type of housing or unit size, rather than being set based on the income of the household. Below-market housing is achieved through an investment by government, private business, and/or non-profit organization that subsidizes either the development or operation of the housing accommodation, thereby lowering the rent revenue required to cover expenses.

Core housing need: Albertans are in core housing need when they spend more than 30 per cent of their income, before taxes, on housing, and cannot find alternative accommodation without spending more than 30 per cent of income on rent. Core housing need may also mean their housing is not suitable (enough bedrooms for the size and make-up of a household) or not adequate (housing that does not need any major repairs).

Housing supports: Programs or services that increase the ability for a household to achieve housing stability. This can be done through subsidized units or by subsidizing rents.

Housing literacy: The ability of a household to understand, receive, and use housing information to make decisions that are appropriate for their housing needs.

Housing Management Bodies (HMB): An organization established by the Minister under Ministerial Order to administer properties and housing programs in accordance with the *Alberta Housing Act* and regulations.

Income thresholds: The maximum household income for eligibility in many affordable housing programs. The income thresholds are based on Housing Income Limits (HILs) established by Canada Mortgage and Housing Corporation (CMHC). HILs reflects the minimum household income required to afford the average market rent (rent consumes no more than 30 per cent of household income) for a given unit size (suitable number of bedrooms based on the number of people in the household), and for a given community.

Mixed-income: Housing developments that include households of different income levels, and therefore require different levels of subsidization, by design.

Rent geared to income: A form of affordable housing where the rent is set to an amount lower than the actual market value, but customized to ensure affordability for the household, rather than being a flat percentage below market rent. This commonly means rent is set at 30 per cent of household income.

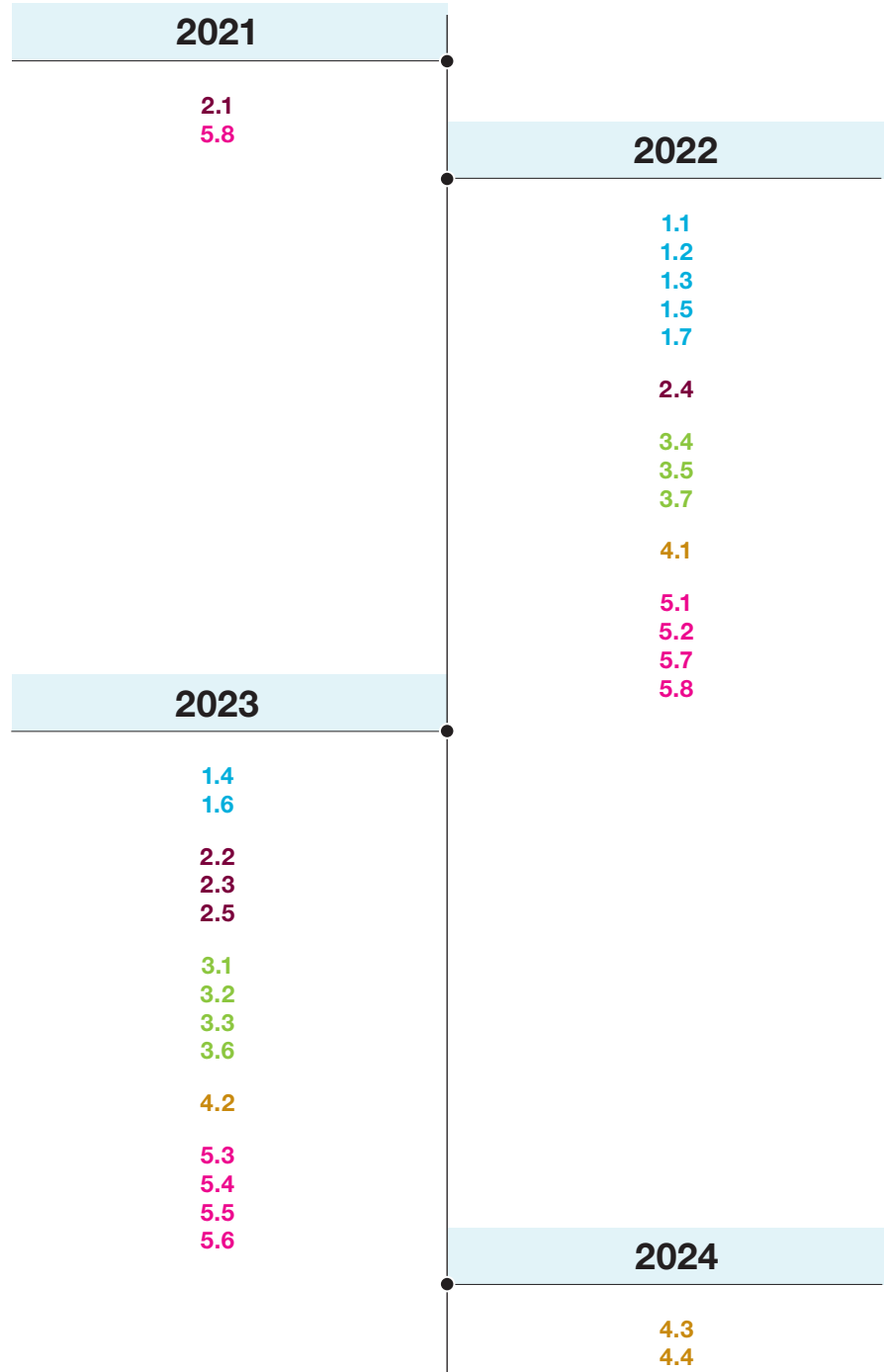
Social housing: Housing programs that use rent geared to income to set the rental rate.

Appendix A:

Implementation plan

Colour code:

- Supporting Albertans most in need
- Improving access
- Improving planning and governance
- Enhancing sustainability and efficiency
- Enabling growth and investment



*This chart reflects the year where implementation of an action begins. Actions will be ongoing from their start to the end of the 10 year strategy timeframe. Some actions will be implemented in phases that will take place across multiple years. The implementation plan will be reassessed every three years and the strategy will be reviewed at the end of the 10 years.

Appendix B:

Alignment with panel recommendations

Affordable housing review panel recommendation	Stronger Foundations key actions
1. Develop a provincial strategic plan for housing with short- and long-term objectives aimed at addressing Alberta’s affordable housing needs and achieving housing stability for all Albertans.	Stronger Foundations is the strategic plan.
2. Develop a provincial asset management plan as a first step to move the Government of Alberta from being an owner of affordable housing assets to regulating and funding housing programs.	5.2
3. Develop and implement a strategic asset transfer plan that achieves equity, safety, flexibility and sector financial sustainability by working with key stakeholders, including housing management bodies, not-for-profit organizations, private landlords, private developers and Indigenous organizations.	5.1 5.2 5.4
4. Ensure all proceeds from transfer of assets are maintained within the affordable housing system and invested in a manner that grows the financial resources available to meet affordable housing needs.	5.7
5. Work with housing management bodies to build capacity within the sector, improve and redevelop the affordable housing stock, improve service delivery to those in need and prioritize applications for subsidized housing based on local need. Where appropriate, encourage housing management bodies to reorganize, collaborate and/or consolidate operations to increase capacity, including fiscal capacity and development and operational expertise.	2.1 2.2 2.5 3.4 3.5 3.6 3.7
6. Engage and facilitate collaboration among housing management bodies, not-for-profit organizations, private industry and Indigenous organizations/ governments to build increased capacity and develop appropriate housing solutions.	1.5 1.6 2.2 2.3 2.4 5.5
7. Update the previous review of the Seniors Lodge Program conducted in 2015 with a view to increasing the effectiveness of lodges in meeting housing needs, the flexibility in their use and their financial sustainability as a housing choice for Albertans.	1.7 5.6

Affordable housing review panel recommendation	Stronger Foundations key actions
8. Identify opportunities to maximize and leverage federal funding to increase the supply of affordable housing in Alberta, such as providing provincial land and buildings as in-kind contributions to trigger federal fund-matching programs.	5.1 5.4 5.5
9. Work with Indigenous stakeholders, including Metis governments, to advocate to the federal government for continued, long-term supports to address the housing needs of Indigenous communities in Alberta.	1.5
10. Direct current and future provincial funding allocations to a mix of rent supplements and capital funding that maximizes affordable housing choices for Albertans.	5.8
11. Building on the current review of the rent supplement program, rebalance funding to include a modest subsidy for people who are currently not able to access deeper subsidy programs to enable them to stay in their housing or find housing of their choice in the private market.	5.8
12. Encourage municipalities to develop local housing and homelessness needs assessments and action plans to better understand local needs, identify local priority populations, help guide local, provincial and federal investments in affordable housing and develop solutions to address the unique needs of urban, rural, and remote communities.	3.1 3.2 3.3
13. Direct the Government of Alberta to update the approach to determining eligibility and calculating rents to include additional household income and assets and allow for more local control over prioritization to promote local solutions, rebalance fairness and generate more stable revenue.	1.1 1.2 1.3 1.4
14. Work with housing operators to develop a centralized housing portal to manage waiting lists, including vacancies, and develop standardized application forms for the community housing and seniors lodge programs.	2.1
15. Direct the Government of Alberta to improve its approach to capital maintenance funding, including the establishment of an expedited process for project approvals and setting benchmark timelines for project approvals.	5.3

Affordable housing review panel recommendation	Stronger Foundations key actions
16. Encourage the Government of Alberta to update the provincial regulatory regime to increase the affordable housing supply, including streamlined planning approval processes and the adoption of innovative forms of housing.	<p>4.1 4.2 4.3 5.1 5.5</p>
17. Encourage municipalities to update local planning policies, processes, and regulations to develop affordable housing and permit and encourage innovative forms, such as tiny homes, secondary suites, co-housing, and repurposing of non-residential buildings into affordable housing units.	<p>3.1 3.2 3.3</p>
18. Work with housing partners to support and encourage innovative forms of affordable housing, such as the use of prefabricated homes, container housing, repurposing buildings, Passive House design, net zero housing, and other solutions to increase the efficiency of affordable housing and effectiveness of housing funding.	<p>5.4 5.5</p>
19. Work with housing partners to support and encourage the development of innovative operating models, such as mixed-income, mixed-use, and mixed-tenure housing developments that will create community benefits and increase the sustainability of affordable housing.	<p>4.1 4.2 4.3 4.4</p>

Colour code:

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