

Calgary had the **highest average monthly apartment rent** of key Canadians cities (CMAs) in **2008 and 2014-2015**, prior to recessions and decreases in average rent. In 2007: **92%** of tenants + **78%** home owners in Calgary, Edmonton **avored rent caps**.

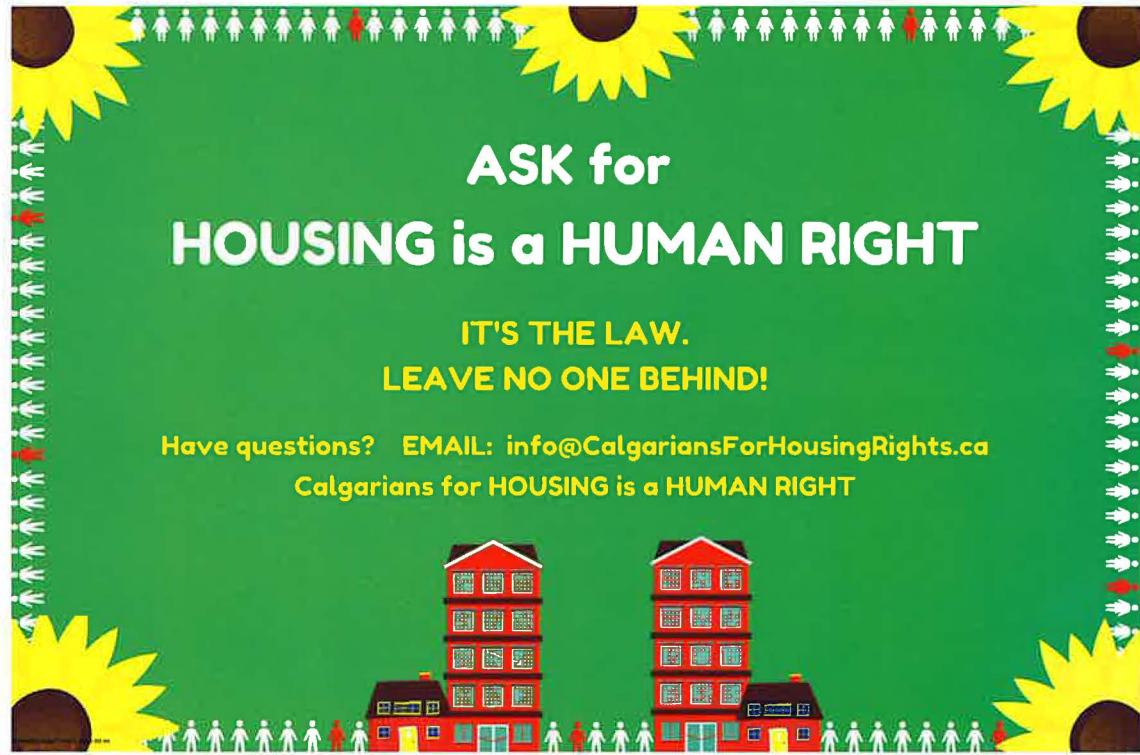
Enough is enough!



HOUSING IS A HUMAN RIGHT.

Info@CalgariansForHousingRights.ca

CITY OF CALGARY
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 APR 30 2024
 ITEM: 7.2.1 CPC2024-0213
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 CITY CLERK'S DEPARTMENT



**ASK for
HOUSING is a HUMAN RIGHT**

**IT'S THE LAW.
LEAVE NO ONE BEHIND!**

**Have questions? EMAIL: info@CalgariansForHousingRights.ca
Calgarians for HOUSING is a HUMAN RIGHT**



ASK FOR HOUSING IS A HUMAN RIGHT.

IT'S THE LAW.

Leave no-one behind!

In Canada, you have a right to "adequate" housing as per the National Housing Strategy Act, 2019 and international law - including the United Nations International Covenant on Social, Economic & Cultural Rights.

- Affordability - so you can enjoy other human rights such as health, work, etc.
- Habitability - safe, healthy and secure
- Security of tenure/stay - free from illegal evictions, harassment & other threats
- Accessibility - to meet the needs of those with disabilities (physical, mental)
- Location - access to employment, education, health-care & social services
- Availability of services - including safe drinking water, adequate sanitation, affordable heating
- Cultural Adequacy - enable the expression of your cultural identity

Have questions? EMAIL: info@CalgariansForHousingRights.ca.

Calgarians for HOUSING is a HUMAN RIGHT

Have a **“HART”!**
50,000+ households in Calgary, Alberta
need shelter costing **\$1,262/month** or **LESS**

Have a **“HART”!**

Housing Needs
Assessment Tool
<https://hart.ubc.ca/housing-needs-assessment-tool/>



**LOWER
RENT-GOUGED
RENT
& MORE!**

HOUSING IS A HUMAN RIGHT.



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Enough is enough!

"Canada's housing crisis has reached catastrophic proportions and it is only getting worse... we cannot count on the for-profit housing industry to fix the problem..."

Prioritizing people over profit is the way forward on the housing crisis - The Star Calgary,
OPINION: Marie-Josée Houle, Federal Housing Advocate - September 7, 2023

- LOWER RENT-GOUGED RENT**
- NATIONAL RENT FREEZE**
- NATIONAL EVICTION FREEZE**
- & MORE!**

HOUSING IS A HUMAN RIGHT.



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HOUSING is a HUMAN RIGHT is the LAW - NOT an option to be IGNORED. NOT a GAME to PLAY. We need REAL HELP – RIGHT NOW!

- Canadians have the right to [adequate housing](#) as per [National Housing Strategy Act, 2019](#) and [International Law \(United Nations International Covenant on Economic, Social and Cultural Rights\)](#) and as upheld in the highest courts in CANADA - see [\[2020 SCC 5 \(CanLII\) | Nevsun Resources Ltd. v. Araya | CanLII - "International human rights norms ...\(are\) moral imperatives and legal necessities"](#).
- The right to [adequate housing](#) includes: affordability; accessibility; security of tenure – including protection against forced evictions, harassment and other threats; habitability – safe and healthy; availability of services, materials, facilities & infrastructure; location to provide access to key services; and cultural adequacy. See [The Right to Housing 101](#) by the [National Right to Housing Network](#).

Of course, RENT CAPS – HOUSING is a HUMAN RIGHT!
[COVID-19 and The Right to Housing: Impacts and the way forward- A/75/148](#) –
 Mr. Balakrishnan Rajagopal, UN Special Rapporteur on the Right to Adequate Housing

LEAVE NO ONE BEHIND!

- Allocate sufficient resources.
- End forced evictions. End sweeping of encampments and house the homeless.
- Provide subsidies to renters and small landlords.
- Ensure no one pays more than 30 per cent of household income.
- Constrain private equity firms as landlords.
- Protect renters (with landlord licensing, public DATA tracking...).
- And MORE!



Enough is enough!

Have a "HART"!

50,000+ households in Calgary, Alberta need shelter costing **\$1,262/month** or **LESS**

STOP THE LOSS.
BUILD THE RIGHT HOUSING.
FOCUS on PRIORITY POPULATIONS in CORE HOUSING NEED in Calgary (CD), Census 2021.
 (HH = Households)



- Single mother-led HH (20.92%)
- HH Head over 85 (18.53%); HH over 65 (12.69%); HH under 25 (16.19%)
- Refugee-claimant-led HH (16.04%); NEW migrant-led HH (13.37%)
- Indigenous-led HH (13.40%); Women-led HH (12.59%)
- Black-led HH (15.09%); Visible minority HH (9.88%); HH with physical activity limitation (8.06%), HH with cognitive, mental or addictions activity limitation (7.94%)

Calgary (CD) 2021 Affordable Housing Deficit

Income Category	Affordable Shelter Cost (2015 CAD\$)	1 Person HH*	2 Person HH*	3 Person HH*	4 Person HH*	5+ Person HH*	Total
Very low Income: <=\$20,200	<=\$505	5,810	1,230	420	115	55	7,630
Low Income: \$20,200 - \$50,500	\$505 - \$1,262**	22,245	11,770	5,185	2,635	1,425	43,260
Moderate Income: \$50,500 - \$80,800	\$1,263 - \$2,020	0	460	1,015	1,215	1,860	4,550
Median Income: \$80,800 - \$121,000	\$2,020 - \$3,030	0	0	0	0	0	0
High Income: >=\$121,000	>=\$3,031	0	0	0	0	0	0
Total		28,055	13,460	6,620	3,965	3,340	55,440

*HH = Household **\$1,262/\$1,263
 Source: HART Housing Needs Assessment Tool - Calgary (Census Division, Census 2021)

HART (Housing Assessment Resource Tools) Housing Needs Assessment Tool
<https://hart.ubc.ca/housing-needs-assessment-tool/>

Marie-Josée Houle, Federal Housing Advocate asked House of Commons "HUMA" Committee to call industry witnesses and their DATA

Federal Housing Advocate wants industry witnesses to account for their practices that undermine housing affordability, security of tenure and habitability.

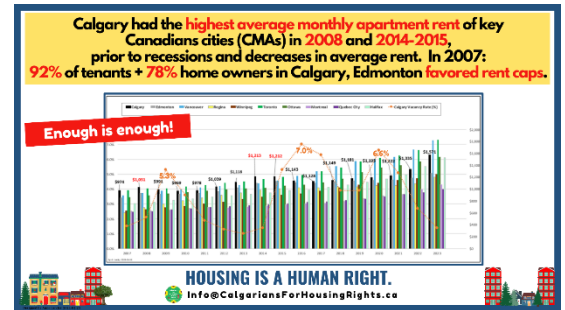


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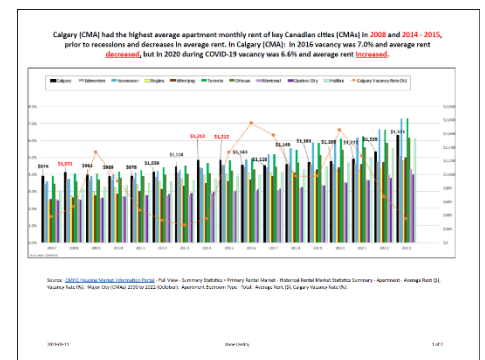
Anne Landry – List of Attachments + Background Information provided to The City of Calgary Council for Anne Landry’s Presentation for the City-Wide Rezoning Public Hearing starting April 22, 2024

Selected attachments provided to The City of Calgary Council on USB.

1a. Calgary had the highest overhead monthly rent of key Canadian cities (CMAs) in 2008 and 2014-2015, prior to recessions and decreases in average rent. In 2007, 92% of tenants + 78% of home owners in Calgary, Edmonton favored rent caps – Anne Landry – 2024-04-28.



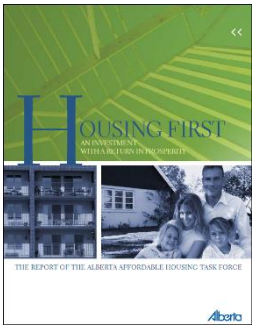
1b. GRAPH with DATA by Anne Landry used in Attachment 1a: Calgary (CMA) had the highest average monthly rent of Key Canadian cities (CMAs) in 2008 and 2014-2015 prior to recessions and decreases in average rent. In Calgary (CMA): in 2016 vacancy was 7.0% and average rent decreased, but in 2020 during COVID-19 vacancy was 6.6% and average rent increased.



See also:

- [Cenovus urged the Alberta Government to impose production cuts to boost prices amid ‘economic crisis’](#) - The Globe and Mail – November 14 & 20, 2018
- [Alberta oil production curtailments are working, Cenovus says](#) – Global News – 2019-04-24.

2. Please NOTE:

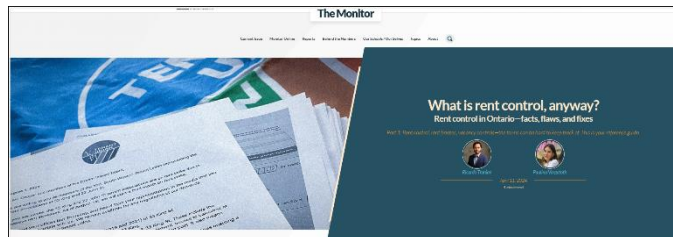
- Housing First – An Investment with a Return in Prosperity - Alberta Government - 2007 . NOTE: The Alberta Government News Release dated March 20, 2007 referred to that: (the Alberta Affordable Housing) task force was composed of 15 members; 45 days were spent gathering input and compiling the report; 9 communities (in Alberta) were visited to hear from 800 presenters (over an approximate 2-week period)); in addition 600 Albertans provided written input.
- 
- Calgary tenants pay most in the nation. \$1,089 rent highest among major cities – Calgary Herald – December 14, 2007
 - Task force recommends rent control in Alberta – CBC – April 17, 2007
 - Tories reject rent control. Vote almost unanimous – Calgary Herald – May 6, 2007
 - Angry renters storm Tory office; Premier wants to hear stories of housing crisis – The Calgary Herald, Jason Fekete with files from Archie McLean, Edmonton Journal – May 9, 2007
 - Big city support for rent control. 92 per cent of tenants, 78 per cent of home owners want Tories to act – Calgary Herald, Kelly Cryderman – May 15, 2007

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- g) Rent pleas being ignored – Calgary Herald, Don Braid - May 15, 2007
- h) Climbing costs cool migration to Alberta. Vital workers moving to B.C., Saskatchewan – Calgary Herald, Tony Seskus and Kelly Cryderman – June 29, 2007
- i) Alberta falling short 100,000 workers. Labour crunch jeopardizes mega projects. – Calgary Herald, Shaun Polczer – July 11, 2007
- j) Huge hikes give rise to rent cap debates. Stelmach government says controls no answer – Calgary Herald, Kelly Cryderman – September 30, 2007
- k) Apartment vacancy rates 2.5% across Canada – CBC - December 13, 2007
- l) Petro-prosperity leaves many Calgarians behind. Single parents, immigrants and even the average worker are being battered by the roaring economy. – Calgary Herald, Paula Beauchamp – January 4, 2008
- m) Rent hike of \$150% doesn’t break the law. Ruling favours landlord in condo dispute. – Calgary Herald, Joel Kom – January 18, 2008
- n) Homeless numbers on verge of exploding, conference told – CBC – February 18, 2009
- o) Stiffer penalties sought for errant landlords Fatalities put spotlight on safety, health hazards in rental suites; \$2,000 maximum fine called a ‘joke’ – Calgary Herald, Tamara Gignac – February 22, 2009
- p) Rental aid fund out of money. Province’s \$15M program turning away new applicants. – Calgary Herald, Richard Cuthbertson and Eva Ferguson – August 15, 2009
- q) [Calgary’s rental vacancy rate reaches highest level in over two decades](#) – CTV – November 28, 2016
- r) [Rents keep going up, pandemic or not](#) – Canadian Centre for Policy Alternatives, The Monitor, Ricardo Tranjan – February 9, 2021. NOTE: for Calgary see the [CMHC Housing Market Information Portal](#)
- s) [Rent controls work: They don’t reduce housing supply but they do limit profit](#) – The Star, Ricardo Tranjan, senior researcher with the Canadian Centre for Policy Alternatives’ Ontario office and author of “The Tenant Class.” – March 12, 2024
- t) [Fact Check: Affordable Housing isn’t affordable](#) – Canadian Centre for Policy Alternatives, The Monitor, Ricardo Tranjan – August 25, 2021 “...Affordability definitions tied to out-of-control rents are fundamentally flawed. Put it this way: if the car ahead of you is driving at 200 kilometres an hour, driving a bit slower than them is not enough to keep you within the speed limit...”

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Also see the NEW series on RENT CONTROL released April 11, 2024 by Ricardo Tranjan and Paula Vargatoh of the Canadian Centre for Policy Alternatives:



- [Part 1: What is rent control anyway?](#)
- [Part 2: Rent control is full of loopholes](#)
- [Part 3: Above-guidelines rent increases are out-of-control](#)
- [Part 4: Arguments against rent control don’t hold up to scrutiny](#)
- [Part 5: Policy solutions and political responses to fix Ontario rent control](#)
- [Part 6: Suggested resources for tenants to learn about rent control in Ontario](#)

3. CMHC Housing Market Information Portal - www03.cmhc-schl.gc.ca/hmip-pimh/en#Profile/1/1/Canada

- Primary Rental Market – Overview – Full Report: i. Calgary; ii. Vancouver; iii. Toronto
- Primary Rental Market – Full View – Summary Statistics – Historical Time Period – Apartment: i. Calgary; ii. Vancouver; iii. Toronto

As per the CHART BELOW, asking rents for a 1 Bedroom apartment or apartment/condo in Calgary as per [Rentals.ca April 2024 reporting](#) is now more expensive than in Vancouver, Toronto and Calgary as per the CMHC reporting for October 2023 ([CMHC Housing Market Information Portal](#)).

1 Bedroom Rents - Locations/Sources	Monthly Rent (A) (\$)	Annual Rent = A X 12 (B) (\$)	Annual Household Income Needed to afford (less than 30% of pre-tax household income)* (B/0.30) (\$)
Calgary - CMHC Oct. 2023	\$1,464	\$17,568	\$58,560
Vancouver - CMHC Oct. 2023	\$1,691	\$20,292	\$67,640
Toronto - CMHC Oct. 2023	\$1,696	\$20,352	\$67,840
Calgary - Rentals.ca April 2024 - Apartment	\$1,707	\$20,484	\$68,280
Calgary - Rentals.ca April 2024 - Apartment/Condo	\$1,820	\$21,840	\$72,800

See also:

- [A record number of Albertans are concerned about being able to manage their debt](#) – CTV – July 10, 2023.
- [2,782 individuals were homeless in Calgary](#) as per the Point in Time Count on September 27, 2022.
- [It now costs more to afford basic necessities in Calgary than Vancouver, Toronto: StatsCan](#) – CBC – December 9, 2023
- [‘Wake-up call’: Basic needs now cost more in Calgary than any other major city in Canada](#) – CTV – December 11, 2023

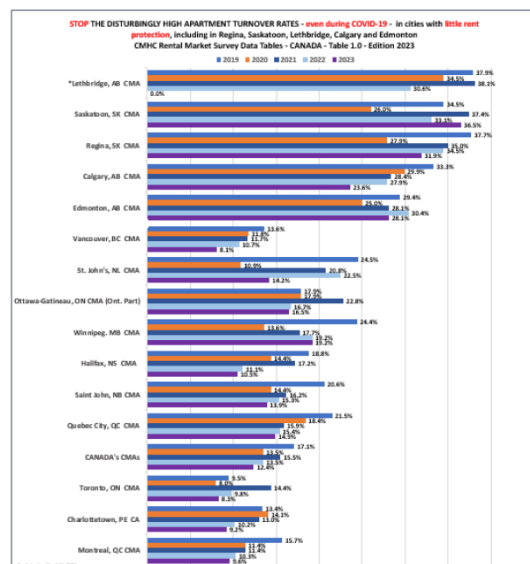
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4. STOP THE DISTURBINGLY HIGH APARTMENT TURNOVER RATES – even during COVID-19 – in cities with little rent protection, including Regina, Saskatoon, Lethbridge, Calgary and Edmonton. CMHC Rental Market Survey Data Tables – CANADA – Table 1.0 – Edition 2023 (March 31, 2024). By Anne Landry.

i. In 2023 Calgary had one of the highest apartment turnover rates in Canada – **23.6%** approximately double the **12.4%** turnover rate for ALL Canada CMAs – revealing apparent community instability. Calgary’s apartment turnover rate has recently been as high as **33.3%** (2019) and **29.9%** (2020, during COVID). See [CMHC Rental Market Survey Data Tables - Table 1.0](#) October 2023 VS October 2022.

ii. CMHC reports Calgary has one of the HIGHEST private apartment turnover rates in CANADA. [CMHC Rental Market Survey Data Tables - Table 1.0](#)

- In 2019: **33.3%** in Calgary CMA, **29.4%** in Edmonton CMA, **37.9%** in Lethbridge CMA; average for Canadian CMA’s = **17.1%**
- In 2020: **29.9%** in Calgary CMA, **25.0%** in Edmonton CMA, **34.5%** in Lethbridge CMA; average for Canadian CMA’s = **13.5%**
- In 2021: **28.4%** in Calgary CMA, **28.1%** in Edmonton CMA and **38.1%** in Lethbridge CMA; average for Canadian CMA’s = **15.5%**
- In 2022: **27.9%** in Calgary CMA, **30.4%** in Edmonton CMA and **30.6%** in Lethbridge CMA, average for Canadian CMA’s = **13.5%**
- In 2023: **23.6%** in Calgary CMA, **28.1%** in Edmonton CMA and **(DATA Suppressed in Source)** in Lethbridge CMA, average for Canadian CMA’s **12.4%**

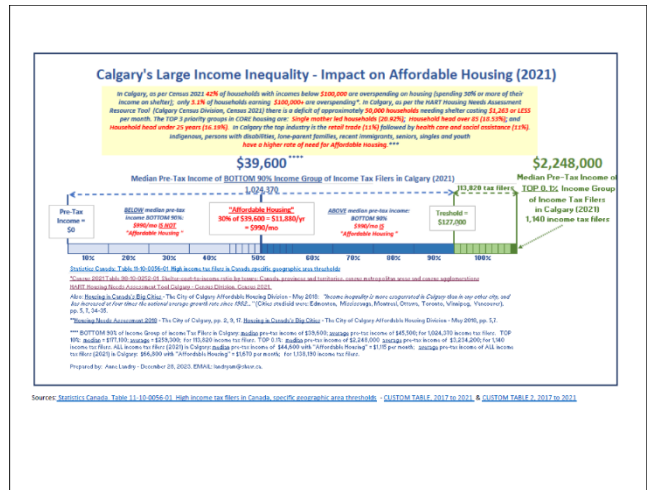


5. CHART by Anne Landry – [Calgary’s Large Income Inequality – Impact on Affordable Housing \(2021\)](#) – dated December 28, 2023 (1 page).

- i. Calgary’s HIGH income inequality: The Median Pre-Tax Income of the BOTTOM 90% income group of income filers is **\$39,600/per year** (Statistics Canada, Census 2021)
- ii. **A rent of \$990 per month** would be affordable at a median annual income of **\$39,600** as per the standard [CMHC definition of affordable housing](#) > 30% of \$39,600 = \$11,880 per year => **\$990/per month**

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- iii. The threshold in Calgary between the **BOTTOM 90% and TOP 10%** of income tax filers is **\$127,000 per year**.
- iv. There are **1,024,370 income tax filers** in the **BOTTOM 90%** income group – **thus half of them – i.e. below the “median” - would NOT find a rent of \$990/month to be affordable**.
- v. There are **113,820 tax filers** in the **TOP 10%** of income tax filers
- vi. Sources: [Statistics Canada. Table 11-10-0056-01 High income tax filers in Canada, specific geographic area thresholds - CUSTOM TABLE, 2017 to 2021](#) & [CUSTOM TABLE 2, 2017 to 2021](#)
- vii. In Calgary, affordable rent for a 1-bedroom apartment is **\$1,050 or LESS** as per the **Low End Market Rental Tool (LEMR Presentation, Slide 15 LEMR WEBSITE - Calgary)**. The, **LEMR Presentation** (Slides 16, 17) also reveals that Calgary is losing affordable housing units, including for 1-person families – only **43%** of rental units (1 bedroom/bachelor) for a 1-person family were affordable in 2021 VS **67%** in 2006 that were affordable at a monthly rent threshold of **\$760**. See <https://lemr.ca/>. **The LEMR Housing Monitor project involves:** Canadian Centre for Housing Rights; Purpose Analytics; Ontario Non-Profit Housing Association; Sharla Gelfund
- viii. As per the [April 2024 Rentals.ca report](#) the average rent asking rent for 1 Bedroom rental Apartment/Condo was **\$1,820/month**. An annual household income of **\$72,800** would be needed to afford this as per the standard **CMHC definition of affordable housing** that rent should be less than 30% of pre-tax household income.
- ix. This occurs at the time that the annual median household income in Calgary for renters is **\$66,000**, for home owners is **\$119,000** and for all is **\$100,000 (Census 2021)**. See **Attachment 6a** (BELOW).



6a. Calgary – Census 2021 – Housing Affordability (and Income Inequality) – Census 2021 – by Anne Landry – 2023-12-31. Source: **CENSUS 2021 - Table 98-10-0252-01 Shelter-cost-to-income ratio by tenure: Canada, provinces and territories, census metropolitan areas and census agglomerations**

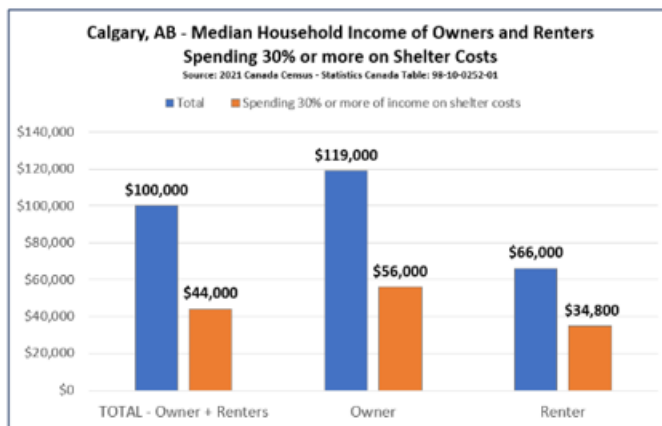
Calgary has HIGH income inequality that must be appropriately addressed in planning and implementing housing strategies: MORE than **126,000 (22%)** households (renters and owners) in Calgary (CMA) are spending more than **30% of household income on shelter**: this affects **42%** of households spending **\$99,999 or LESS** compared with **3.1%** of households in Calgary (CMA) spending \$100,000 or more. ([Census 2021](#)) .

In Calgary, the median household income of **renters** is **\$66,000** for which a monthly shelter cost of **\$1,650** is **affordable** ($[\$66,000/12]*0.30$) (Census 2021)

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In Calgary, the median household income of owners is **\$119,000** for which a monthly shelter cost of **\$2,975** is affordable ($[\$119,000/12]*0.30$] (Census 2021)

CENSUS 2021 in Calgary - number of households spending > 30% on shelter by CUMULATIVE household income 42% of households under \$99,999 are spending > 30% on shelter			
CUMULATIVE household income range	Number of Households spending >30% on shelter	Percentage of households spending >30% on shelter	Cumulative number of Total Households
Under \$10,000	6,770	70%	9,620
Under \$19,999	15,830	81%	19,510
Under \$29,999	38,065	76%	49,890
Under \$39,999	56,160	72%	78,310
Under \$49,999	73,130	65%	111,650
Under \$59,999	86,725	60%	145,520
Under \$69,999	97,755	54%	180,240
Under \$79,999	106,645	50%	215,210
Under \$89,999	112,890	45%	248,215
Under \$99,999	117,275	42%	280,410
Under \$100,000 and over	126,120	22%	562,785



6b. Renters and Owners spending more than 30% of Household Income on Shelter – Canada, Alberta, Calgary (Census 2021). Source: **CENSUS 2021** - [Table 98-10-0252-01 Shelter-cost-to-income ratio by tenure: Canada, provinces and territories, census metropolitan areas and census agglomerations](#)

	Total Households (HH) (#)	Total HH spend 30% or more of income on shelter costs (#)	Total HH spend 30% or more (%)	Total Renter HH (#)	Renter HH spend 30% or more of income on shelter costs (#)	Renter HH - spend 30% or more (%)	Total Renter HH of Total HH (%)	Total Owner HH (#)	Owner HH spend 30% or more of income on shelter costs (#)	Owner HH spend 30% or more (%)	Total Owner HH of Total HH (%)
Canada	14,744,570	3,074,715	21%	4,936,850	1,624,715	33%	33%	9,807,720	1,450,000	15%	67%
Alberta	1,595,570	337,585	21%	463,570	156,415	34%	29%	1,131,995	156,415	14%	71%
Calgary	562,780	126,110	22%	166,020	56,595	34%	29%	396,760	69,415	17%	71%

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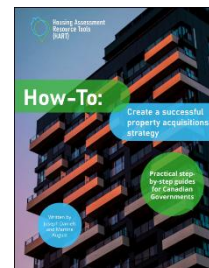
7a. HART Housing Needs Assessment Deficit (CORE HOUSING NEED) in Calgary and across Canada (Census 2021). **More than 50,000 households in Calgary (Census Division) need housing costing \$1,262/o or LESS.** See the priority populations in CORE HOUSING NEED. Source: <https://hart.ubc.ca/housing-needs-assessment-tool/> .



Income Category	Affordable Shelter Cost (2015 CAD\$)	1 Person HH*	2 Person HH*	3 Person HH*	4 Person HH*	5+ Person HH*	Total
Very low Income: <=\$20,200	<=\$505	5,810	1,230	420	115	55	7,630
Low Income: \$20,200 - \$50,500	\$505 - \$1,262**	22,245	11,770	5,185	2,635	1,425	43,260
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Median Income: \$80,800 - \$121,000	\$2,020 - \$3,030	0	0	0	0	0	0
High Income: >=\$121,000	>=\$3,031	0	0	0	0	0	0
Total		28,055	13,460	6,620	3,965	3,340	55,440

*HH = Household **\$1,262/\$1,263

7b. [How-To: Create a successful property acquisitions strategy – Practical step-by-step guides for Canadian Governments](#) – Housing Assessment Resource Tools (HART) – Written by Josep Daniels and Martine August. *“Form a supportive housing ecosystem...Implement new and stronger tenant protections...”* (at page 21). See also: <https://hart.ubc.ca/property-acquisitions-tool/>



8. The City of Calgary Inflation Review - <https://www.calgary.ca/research/inflation.html> - reveals that rental accommodation inflation is apparently driving up shelter inflation in Calgary to be higher than that in Alberta and Canada for “All Items”.
- The City of Calgary Inflation Review January 2024 – dated February 20, 2024
 - The City of Calgary Inflation Review February 2024 – dated March 19, 2024
 - The City of Calgary Inflation Review March 2024 – dated April 16, 2024
 - The City of Calgary Inflation Review February 2023 – dated March 21, 2023
 - The City of Calgary Inflation Review February 2022 – dated March 16, 2022
 - The City of Calgary Inflation Review February 2021 – dated March 17, 2021
 - The City of Calgary Inflation Review February 2020 – dated March 18, 2020
 - The City of Calgary Inflation Review February 2019 – dated March 22, 2019
 - The City of Calgary Inflation Review December 2018 – dated January 18, 2019
 - The City of Calgary Inflation Review December 2017 – dated January 26, 2018
 - The City of Calgary Inflation Review December 2016 – dated January 20, 2017
 - The City of Calgary Inflation Review December 2015 – dated January 22, 2016

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m. The City of Calgary Inflation Review December 2014 – dated January 23, 2015

9. [Bank of Canada’s Tiff Macklem spells out limits of monetary policy, says interest rates won’t solve housing affordability](#) – The Globe and Mail – February 6, 2024

10. Calgary & Region Economic Outlook 2023-2028 – Fall 2023 Forecast Tables: Table 2 – Selected Real Estate Indicators for City of Calgary – at [Economic Outlook and Population Outlook \(calgary.ca\)](#)

In Calgary, housing supply (STARTS, COMPLETIONS) is NOT keeping up with housing demand:


						FORECAST					
FORECAST COMPLETED: April 2023	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Demography											
Total Population ('000 Persons, as of April 1)	1,267.3	1,285.7	1,307.0	1,321.6	1,348.6	1,389.2	1,412.9	1,434.2	1,455.5	1,476.6	1,497.6
Total Population Growth (%)	1.7	1.4	1.7	1.1	2.0	3.0	1.7	1.5	1.5	1.5	1.4
Net Migration ('000 Persons, April - March)	11.7	9.6	12.3	6.1	19.7	33.1	15.8	13.7	14.1	14.4	14.7
Household Formation ('000 units, April - March)	11.6	6.3	7.7	5.6	10.4	15.6	9.2	8.3	8.3	8.3	8.2
FORECAST COMPLETED: October 2023	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Real Estate											
Housing Starts ('000 units)*	9.4	10.6	7.9	12.7	14.8	14.2	10.5	11.0	10.4	9.9	9.6
Average Residential MLS Sale Price Growth (%)**	-1.2	-4.2	-0.1	7.6	4.9	1.9	1.7	5.2	3.7	2.2	2.2
Benchmark Home Price Growth (%)**	-0.1	-3.8	-0.9	12.8	12.4	3.8	1.1	5.0	3.6	2.2	2.2
Total Building Permits (\$billions)	4.5	5.0	3.4	5.6	5.7	5.7	6.3	5.9	6.5	6.5	6.6

Numbers may not add up due to rounding.
Sources for historical data: * Canada Mortgage and Housing Corporation (CMHC) ** Calgary Real Estate Board (CREB)

- **Calgary’s population is anticipated to grow to 1,497,600 by 2028 from 1,389,200 in 2023 – an increase of 108,400** – as per [Calgary & Region Economic Outlook – Spring 2023 Forecast Table – Excerpt Table 2 - The City of Calgary](#)

- Housing starts are NOT keeping up with Net Migration + Household Formation. In 2023 the forecast is for **33,100** net migration + **15,600** household formation with **13,100** housing starts. [Calgary & Region Economic Outlook – Spring 2023 Forecast Table – Excerpt Table 2 at https://www.calgary.ca/research/economic-outlook.html.](#)

- Housing completions in 2023 were over **12,400** homes which the highest on record – and a 27.8% increase in 2023 from the five-year number of completions of over 9,700 homes - as per [The City of Calgary Review Housing Review Fourth Quarter 2023 February 28, 2024 at https://www.calgary.ca/research/housing.html.](#) **“Despite the growth in housing completions the pace of growth in housing demand has far exceeded supply thus constraining housing inventory to historical lows.”**



Housing Completions

The city saw over 12,400 homes completed in 2023, the highest on record. Prior to 2020, the average five-year number of completions was over 9,700 homes, a 27.8 per cent increase in 2023. The distribution of completions by housing type is highlighted below.

- Single-family (up from 31.0 per cent in 2022 to 34.0 per cent in 2023)
- Two-family (up from 8.0 per cent in 2022 to 9.0 per cent in 2023).
- Townhouse (up from 11.0 per cent in 2022 to 15.0 per cent in 2023)
- Apartment (down from 50.0 per cent in 2022 to 42.0 per cent in 2023)

Despite the growth in housing completions the pace of growth of housing demand has far exceeded supply thus constraining housing inventory to historical lows.

See also:

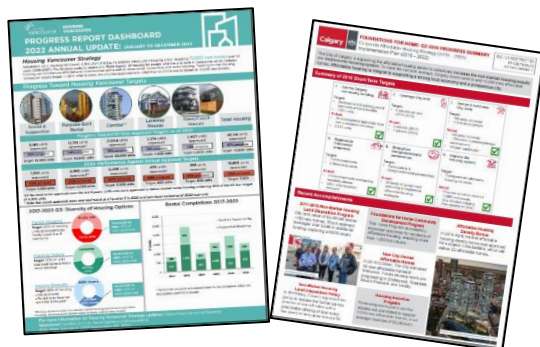
- [The housing crisis is a planning crisis](#) – Economics IN FOCUS - CIBC Capital Markets – February 6, 2024.
- [The Impact of Community Housing on Productivity](#) – by Deloitte for Canadian Housing and Renewal Association (CHRA) and Housing Partnership Canada – November 27, 2023- including at pages 26 and 41
- [We know what we need to do for housing affordability – we just need to do it](#) – Insights – Business Council of Alberta – August 16, 2023.
- [White: New housing initiatives are too little, too late](#) – Calgary Herald – January 26, 2024.

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- [Is Calgary 2025 Affordability Housing Plan Flawed?](#) – Everyday Tourist Blog – September 13, 2020

11a. [Vancouver PROGRESS REPORT DASHBOARD 2022 ANNUAL UPDATE – January to December 2022](#) (1 page)

11b. [The City of Calgary’s Corporate Affordable Housing Strategy Q2 2019 Update – PFC2019-0872](#) – Priorities and Finance Committee of The City of Calgary Council - July 2, 2019 - [Attachment 1 - Foundations for Home Q2 2019 Progress Summary \(1-pager\)](#) (2 pages) . Reveals an unacceptable level of simplicity - including lacking analysis: by Ward and community; by building type, and population segment; completions to target and to demand; etc.



11c. [Rethinking Canada’s Target for 5.8 million homes by 2030](#) - by Steve Pomeroy. Canadian Housing Evidence Collective – February 2024. See at pages 5 to 8 “What Government should do” – including **“erosion of the lower end of the rent distribution due excessive rent increases”** (at page 7) and **“Alongside expanded housing allowances, the risk of escalating costs caused by excessive rent increase must be managed through stronger rent regulation”** (at page 7). [Emphasis added]

See also the following involving Steve Pomeroy:

- As was stated by housing expert Steve Pomeroy stated in his [BRIEF dated May 2023](#) to the [House of Commons HUMA Committee Review regarding financialization, rent gouging, renovictions and related issues](#) that he also submitted to the [National Housing Council Review regarding financialization of purpose-built rental housing](#).

“As part of the 1975 anti-inflation wage and price controls, provinces were requested to implement rent control, limiting rent increases – all agreed to do so...” (at pages 10-11)

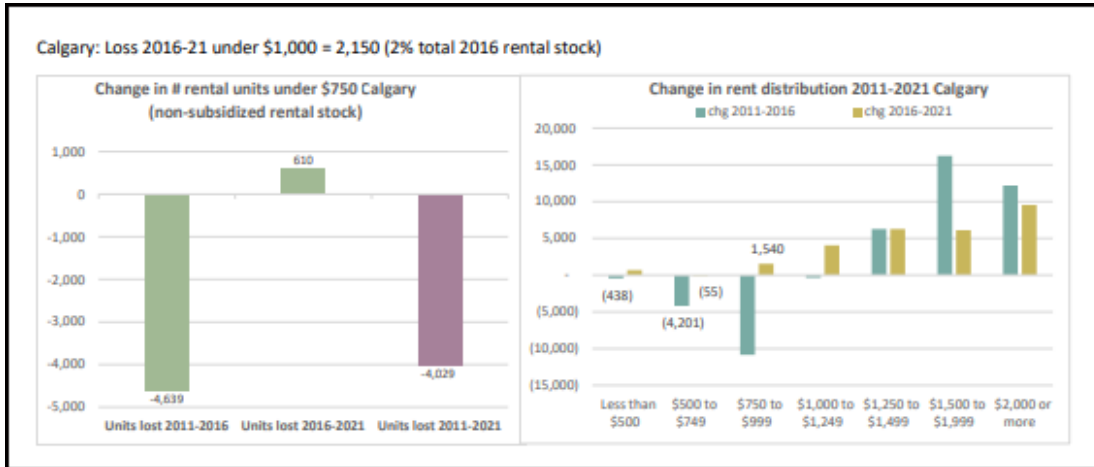
- **Affordable housing is being lost faster than we can build it, including due to [financialization of housing](#)** - treating housing as a for-profit commodity and NOT first as a HOME, a basic human right as per the [National Housing Strategy Act, 2019](#). **Research reveals that for every 1 affordable housing unit that is below \$750) are lost** – primarily due to financialization of housing: [Why Canada needs a non-market rental acquisition strategy](#). – Focus Consulting, Steve Pomeroy - March 2020.

See in [Updating analysis on erosion of lower rent stock from 2021 census](#) – Steve Pomeroy - October 2022. **“The loss of affordable housing in Canada is occurring at such a high rate that it will be impossible for current NHS [National Housing Strategy] initiatives to maintain, never mind expand, the net stock of low-rent units research shows...”** (page 2) Calgary lost over



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4,600 rental units (nonsubsidized) under \$750 from 2011 to 2016 (see at page A-6 and in screen print BELOW_.



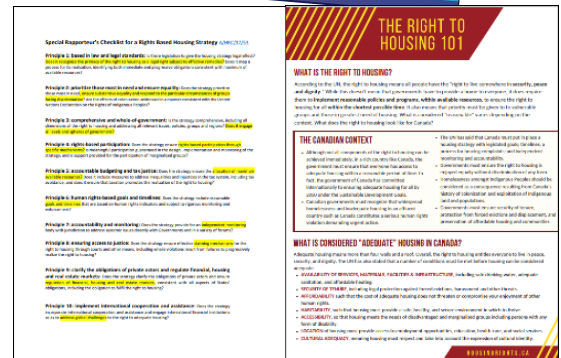
Also please NOTE:

- [Ottawa is funding affordable rental projects that aren’t actually affordable.](#) - The Globe and Mail – April 12, 2024
- Estimates of the number of housing units that need to be built in Canada to 2030 are at **3.5 million gap** (CMHC – too low), **5 million gap** (CIBC*) and **9.6 million/4.4 million gap** (Carolyn Whitzman for the Office of the Federal Housing Advocate)
- [The City of Calgary Community Profiles](#) (Census 2021) provide information including **population growth and housing affordability** that can be used in planning as The City of Calgary moves to a housing model based on a full continuum of housing options for each community.
- [The City of Calgary’s NEW interactive ZONING map](#) could be used to track solutions – build in 2023, housing metrics (completions, starts – by building type), tell stories from Communities. Place “HART”/heart symbols to identify builds/existing buildings that have [“HART” Housing Need Assessment Tool](#) shelter costs. Show parks that are protected. Show walking tours in each community – with video (with involvement and permission of home-owners).

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12. In Canada, housing is a HUMAN RIGHT as per the [National Housing Strategy Act, 2019](#) and international law, including the [United National International Covenant on Economic, Social and Cultural Rights](#) and the [United Nations Universal Declaration of Human Rights](#). See also the following Attachments.

- a. [Progressive Realization of The Right to Adequate Housing: A Literature Review – The National Right To Housing Network, Michelle Biss, Bruce Porter, Sahar Raza & David DesBaillets - 2022](#), excerpt including to page 8.
- b. [The Right to Housing 101 – National Right to Housing Network – 2020](#).
- c. [Special Rapporteur’s CHECKLIST for a Rights Based Housing Strategy – Social Rights Advocacy Centre \(SRAC\) – UNITED NATIONS Report of the Special Rapporteur – A/HRC/37/53 Report of the Special Rapporteur on adequate housing as a component of the right to an adequate standard of living, and the right to non-discrimination in this context <https://www.undocs.org/A/HRC/37/53> - with WEBSITE.](#)



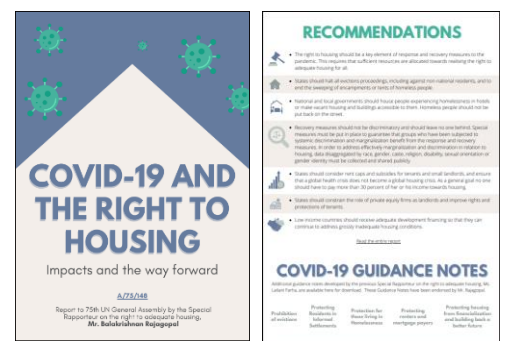
<https://www.undocs.org/A/HRC/37/53> - page 18:

124. Strategies should create mechanisms for rigorous oversight of public private partnerships and other relationships between public authorities and private developers. They must ensure that displacement or land acquisition for “public purpose” is not abused for private gain. Zoning amendments and land use decisions should be subject to independent oversight to ensure transparency, accountability to communities and absence of corruption.

- d. [Guidelines for the Implementation of the Right to Adequate Housing - A/HRC/43/43 – Infographic - United Nations – December 20, 2019 - with REPORT and WEBSITE.](#)



- e. [COVID-19 and the right to housing: impacts and way forward – United Nations – WEBSITE, Report Summary with Recommendations](#) and FULL REPORT: [Adequate Housing as a component of the right to an adequate standard of living – A/HRC/75/148](#) – United Nations - July 27, 2020 **Leave no one behind. Rent caps and subsidies for tenants and small landlords – no one should pay more than 30% of his/her income on housing. “States should constrain the role of private equity firms as landlords and improve rights and protections of tenants.”**



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See the following in regards to meaningful consultation including from a housing human rights perspective:

- [Co-Creating the Right to Adequate Housing in Canada: Interim Report on What We Heard \(thus far\) – prepared by SHS Consulting and the SHIFT Collaborative for the National Housing Council - REPORT, LETTER](#) – June 2022 – including at pages 14 and 18
- [Co-Creating the Right to Adequate Housing in Canada – Culminating Report - prepared by SHS Consulting and the SHIFT Collaborative for the National Housing Council – REPORT, LETTER](#) - December 2023 - including at pages 10, 14, 30, 33.
- [SHS Consulting](#) also prepared the [FINAL REPORT](#) for the [Alberta Affordable Housing Review in 2020](#)
- The [HousingTO 2020-2030 Action Plan](#) was developed following an approximate 5-month consultation process of 5,956 people (tenants, home owners, non-profit and private housing organizations, others) from March to July 2019 by an external consultant – [Lura Consulting](#): see in [Housing TO 2020 – 2030 Action Plan Consultation Summary Report](#)



13. THE SHIFT - [The Shift – The Shift is a worldwide movement to reclaim and realize the fundamental human right to housing \(make-the-shift.org\)](#) (at <https://make-the-shift.org/>)

See in the [BRIEF on the Financialization of Housing dated May 23, 2023 by THE SHIFT](#) - Leilani Farha – Global Director The Shift and Former United Nations Special Rapporteur on the Right to Adequate Housing [House of Commons HUMA Committee Review regarding financialization of housing, rent gouging, renovictions and related issues](#)

- **At page 2: “How does financialization contribute to our economy and economic well-being?... ..With positive economic performance derived from the housing industry itself, one would expect an improvement in housing conditions for people across all social strats in Canada. Evidence reveals the opposite trends, with a rise in homelessness in cities across the country and increasing housing unaffordability. The unaffordability of rental housing makes tenants poorer and less able to contribute to local economies through spending....”** [Emphasis added]



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Submission by THE SHIFT to the [National Housing Council Review of financialization of purpose-built rental housing](#) – by Leilani Farha - Global Director; Julieta Perucca – Deputy Director; Sam Freeman – Director of Legal Research & Advocacy

- See Recommendations - including rental protections - at [pages 13 to 15](#).

- At page 4: “Moreover, the [UN Guiding Principles on Business and Human Rights](#) suggest that **preventing human rights violations of tenants is required, and thus would trump fiduciary duty owed to shareholders, where there is a conflict between the two.**” [Emphasis added]

- At page 6: “...With **evidence** clearly indicating that the failure to tackle financialization has **profoundly harmful impacts on people across Canada, we cannot delay this endeavour. We must immediately begin disentangling our economy from the financialization of housing and ensure, at a very minimum, that all people in Canada have a decent, dignified, secure and affordable place to call home.**” [Emphasis added]

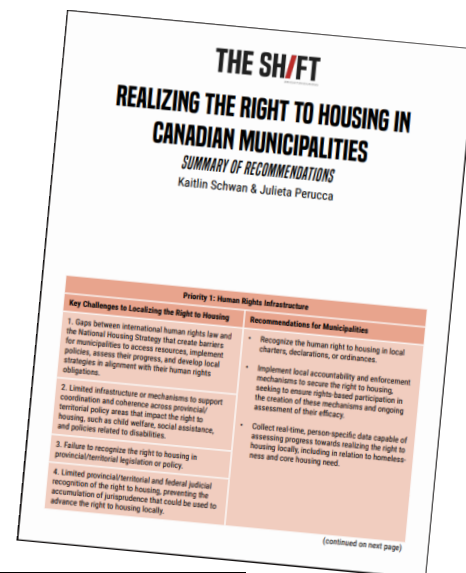


14. REALIZING THE RIGHT TO HOUSING IN CANADIAN MUNICIPALITIES – Kaitlin Schwan & Julieta Perucca – March 2022 – [SUMMARY OF RECOMMENDATIONS](#).

“...Priority 2...Maximize all available jurisdictional powers to implement zoning policies, municipal bylaws, and other policies that **can accelerate the creation of affordable housing**...Priority 6... Maximize land use, zoning, and other bylaw opportunities to increase the **availability of affordable housing and preserve existing affordable housing units...**” [Emphasis added]

See also:

- The [REPORT](#) and the [EXECUTIVE SUMMARY](#)
- See the excerpt BELOW at page 79 of the [REPORT](#).



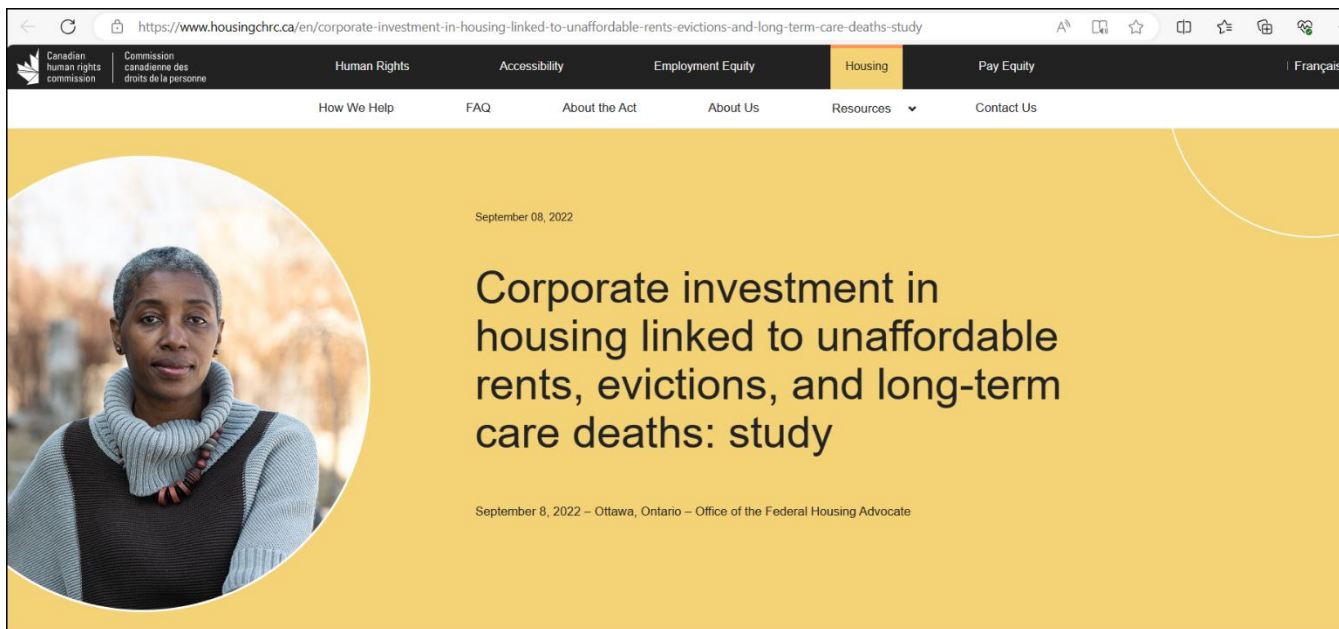
4. Maximize land use, zoning, and other bylaw opportunities to increase the availability of affordable housing and preserve existing affordable housing units.

In addition to tax reform and community-based housing acquisition strategies, cities should explore what additional policy tools to curb the financialization of housing and preserve affordable housing stock, including those related to land use and zoning. For example, in response to the erosion of affordable housing units, some cities have adopted rental replacement bylaws (e.g., Toronto (ON), Surrey (BC)) whereby: “any existing rental units being demolished under intensification must be replaced, at similar rent levels and similar bedroom count, as part of the new development. This bylaw has a dual effect—it tends to either prevent demolition, or where there is potential for substantial density increase, as necessary to cover the replacement cost, results in a form of rental inclusion.”³³⁸ More broadly, cities may want to consider increased zoning flexibility where affordable or non-market housing is concerned, with planning applications assessed based on actual need, rather than on compliance with strict zoning or legal principles. City staff and officials in the Right to Home Municipal Working Group repeatedly expressed the tremendous difficulties many NGOs, housing providers, and social service organizations face in attempting to access land or housing that is zoned appropriately for them to create affordable or supportive housing (even when they have procured millions of dollars and many partners to advance the project). Reorienting urban zoning and planning using a rights-based approach would assist in addressing these challenges.

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ADDITIONAL INFORMATION

A. Marie-José Houle, Federal Housing Advocate



Research before the Office of the Federal Housing Advocate has revealed that [corporate investment in housing is linked to unaffordable rents, evictions, and long-term care deaths](#) – see:

1. [The Finalization of Housing in Canada: Project Summary Report – A Summary Report for the Office of the Federal Housing Advocate](#) – Martine August - June 2022
2. [The Financialization of Seniors’ Housing in Canada – A Report for the Office of the Federal Housing Advocate](#) – Jackie Brown – June 2022
3. [The Uneven Racialized Impacts of Financialization](#) – A report for the Office of the Federal Housing Advocate – Dr. Nemoy Lewis – June 2022
4. [Housing Financialization – The International Landscape A Report for the Office of the Federal Housing Advocate](#) – Manuel Gabarre – June 2022
5. [The Financialization of Multi-Family Rental Housing in Canada – A Report for the Office of the Federal Housing Advocate](#) – Martine August – June 2022
6. [The Impact of Financialization on Tenants – Findings from a National Survey of Acorn Members – A Report for the Office of the Federal Housing Advocate](#) – June 2022

See also [The financialization of Canadian multi-family rental housing: From trailer to tower](#) – Journal of Urban Affairs, Martine August – February 28, 2020 – including in the screen print BELOW at page 4.

A second point of significance with the financialization of multi-family housing is at the level of individual suites within a building. When a building becomes an asset, an important struggle begins in each suite, where tenants are freshly exposed to the logics and practices of finance capital, and where financialized landlords attempt to produce investor returns via “accumulation by dispossession,” targeting tenants. Accumulation by dispossession (Harvey, 2003), also called “primitive accumulation” by Marx (1976) and Luxemburg (1968), describes the process by which capitalism “originally” grew through privatization, theft, predation, and the enclosure of common lands and resources. According to Harvey (2003), these practices have remained central to capitalist accumulation, and particularly so in the neoliberal era. Capital continues to expand not simply through commodity production, but through force, violence, and “extra-economic” means (Andreucci, Garcia-Lamarca, Wedekind, & Swyngedouw, 2017; Glassman, 2006). This involves the privatization

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[Marie-Josée Houle, Federal Housing Advocate](#) presented before the [House of Commons HUMA Committee Review of financialization of housing, rent gouging, renovictions, and related issues](#) on [May 9, 2023](#)

- “...Financialization is systemic and pervasive and will require a coordinated approach to curb the harm it is causing. **It will require immediate actions, followed by long-term, ongoing strategies to ensure adequate housing.** In particular, I invite this committee to look at options such as tracking the ownership of financialized housing stock; better monitoring of tenant rights before, during and after the acquisition of properties to prevent evictions, human rights violations and harassment; expanding the supply of non-market housing; tax reforms that make financialization less profitable, especially for REITs; and regulating the involvement of pension funds that invest in financialization. **I also urge the committee to call industry witnesses to account for their practices that undermine housing affordability, security of tenure and habitability, with data about their strategies and their profit margins....**” [Emphasis added]
- See [Prioritizing people over profit is the way forward on the housing crisis](#) – Toronto Star, OPINION – Marie Josée Houle, Federal Housing Advocate - September 7, 2023

[Marie-Josée Houle, Federal Housing Advocate](#) presented before the [House of Commons HUMA Committee Review of financialization of housing, rent gouging, renovictions, and related issues](#) on [May 9, 2023](#) and on [May 16, 2023](#). She stated:

- “**Canada will not be able to build our way out of this housing crisis. We are losing affordable housing units faster than we can build them...** Financialization is one major contributor of this loss. If the housing crisis is going to be addressed, we must stop the loss. [Recommendations for government to consider] **I think it's a multipronged approach. Stop the loss, curb the financialization, make it less profitable and give opportunities for non-market actors to acquire.... Immediate actions, followed by long-term ongoing strategies to ensure adequate housing...**” [Emphasis added] .

NOTE that grocery store and telecommunications CEOs have already been summoned/resummoned to the House of Commons to address prices/inflation. See also ABOVE regarding repeated months of double-digit rental accommodation inflation in Calgary.

- [Rogers Bell and Telus CEO summoned by MPs to testify on phone prices](#) – Global News - February 29, 2024
- [Grocery store CEOs called back to Ottawa to share how they’re stabilizing prices](#) – Global News – October 24, 2024
- [Big grocery store CEOs summoned to testify at committee studying food inflation](#) – Global News – February 14, 2023

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[Marie-José Houle, Federal Housing Advocate](#) stated the following at the [House of Commons HUMA Committee Review of financialization of housing, rent gouging, renovations and related issues](#) on [May 9, 2023](#):

*“...**The key word in all of this is ‘harm’.** This is why Canada needs to treat financialization as a serious **human rights issue** and also as a key component in **addressing the housing crisis overall...**it’s clear that this trend (financialization of housing) is **violating** people’s right to adequate housing in Canada, it’s contributing to housing **unaffordability** and it’s **worsening housing conditions**. It is leading to **evictions...**[**financialization of housing is**] **also causing real harm to individuals, families and communities...**When we realize the right to adequate housing for all, **all of Canada benefits. Our economy benefits, communities benefit and people benefit...**”*

[Emphasis added]

See also: [ADVOCATING FOR CHANGE: THE HOUSING CRISIS IN CANADA](#) The Office of the Federal Housing Advocate’s 2022-2023 Annual Report to the Minister including:

- At pages 13, 66: “...*The National Housing Strategy Act recognizes housing as a human right for everyone in Canada, and makes the progressive realization of this right the basis of all housing policy. All orders of government, including provinces, territories, and municipalities, have an obligation to protect, respect, and fulfill the human right to housing within their areas of jurisdiction. They must implement effective measures, using the maximum of available resources and employing all appropriate means, to realize the right to adequate housing in the shortest possible time, giving priority to those in greatest need....***For municipalities, this means...Using planning and zoning powers to prioritize the development and preservation of housing that is affordable and accessible for those in greatest need...**” [Emphasis added]
- At pages 16 and 49: “...*There is **no health** without adequate housing. There is **no reconciliation** without adequate housing. There is **no safety for Indigenous women, girls, and Two-Spirit people** without adequate housing. There is **no mental health** or addiction recovery without adequate housing. There is **no gender equity, racial justice, or inclusion** without adequate housing.... We need to take a **new approach** to providing adequate housing supply. **This means funding the development, repair, and acquisition of housing supply that is not-for-profit, permanently affordable, and provides community value in exchange for government investment.**”* [Emphasis added]

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- [At page 21:](#)

Recommendations IV – Financialization

The expert research commissioned by the Office of the Federal Housing Advocate identifies multiple measures to address financialization under five key areas:

1. Tracking ownership and measuring the impacts of financialization;
2. Developing mechanisms to definancialize ownership;
3. Suspending state subsidies and support to financialized landlords;
4. Ensuring public pension funds promote social good through legislation; and,
5. Developing enduring rent controls and tenant protections.

The Federal Housing Advocate urges decision makers to consider these options when examining solutions. At the HUMA Committee panel, the Advocate invites members to seek the views of the researchers and other witnesses about the specifics of their recommendations.

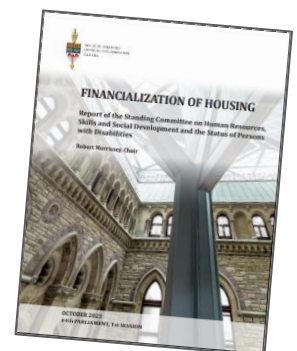
The Advocate recognizes this is a complex and technical area. The Advocate’s role is not to make specific policy prescriptions. Parliamentarians need to rely on the expertise of the public service to design policy solutions that will fulfill human rights obligations.

When determining policy responses, governments must put human rights at the centre.

The [directives on financialization](#) recommended by the international housing rights monitor The Shift also provide useful guidance for Parliamentarians.

B. Canada’s two national housing reviews regarding financialization of housing

- [House of Commons HUMA Committee Review of financialization of housing, rent gouging, renovictions, and related issues](#) – with BRIEFS and Oral Testimony (at “Evidence” TABS_ + [FINAL REPORT](#) that was provided to the House of Commons on October 26, 2023 with the [GOVERNMENT RESPONSE](#) that was provided to the House of Commons on February 26, 2024.
- [National Housing Council Review of financialization of purpose-built rental housing](#) – with Hearing Record ([Written](#) and [Oral](#)) + REPORT ([“Panel’s Opinion & Recommendations”](#)) to the Minister is anticipated to be released SOON.



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- C. Confronting the Financialization of Housing – Federal BUDGET 2024 – page 76 – “The role of large, corporate investors in our single-family housing market needs to be addressed:

Confronting the Financialization of Housing

Housing should be treated as homes for people, instead of a speculative asset class. When purchasing a home, Canadians might expect to be bidding against other potential buyers, not a multi-billion-dollar hedge fund. The role of large, corporate investors in our single-family housing market needs to be addressed.

- ▶ Budget 2024 announces that the government intends to restrict the purchase and acquisition of existing single-family homes by very large, corporate investors. The government will consult in the coming months and provide further details in the *2024 Fall Economic Statement*.

- D. Housing for Canadians, Not for Big Corporations – [Federal BUDGET 2022](#) – page 47 – “Housing should be for Canadians to use as homes.”

Housing for Canadians, Not for Big Corporations

Housing should be for Canadians to use as homes.

However, in recent years, the significant increase in housing prices has led to large investors acquiring a larger portfolio of residential housing. There is a concern that this concentration of ownership in residential housing can drive up rents and house prices, and undercut the important role that small, independent landlords play. Many believe that this trend has also led to a rise in “renovictions”, when a landlord pressures and persuades their tenants to leave, or is formally permitted to evict them to make extensive renovations in order to raise rents.

To address these concerns:

- ▶ Budget 2022 announces a federal review of housing as an asset class, in order to better understand the role of large corporate players in the market and the impact on Canadian renters and homeowners. This will include the examination of a number of options and tools, including potential changes to the tax treatment of large corporate players that invest in residential real estate. Further details on the review will be released later this year, with potential early actions to be announced before the end of the year.

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- E. Tim Richter President and CEO of the [Canadian Alliance to End Homelessness](#) and Co-Chair of the [National Housing Council](#) spoke at the [House of Commons HUMA Committee Review regarding financialization, rent gouging and renovictions](#) on [Tuesday June 6, 2023](#). See the Youtube video – Tim Richter on Financialization of Housing in Canada at <https://www.youtube.com/watch?v=AjUt9GUeYSk>:

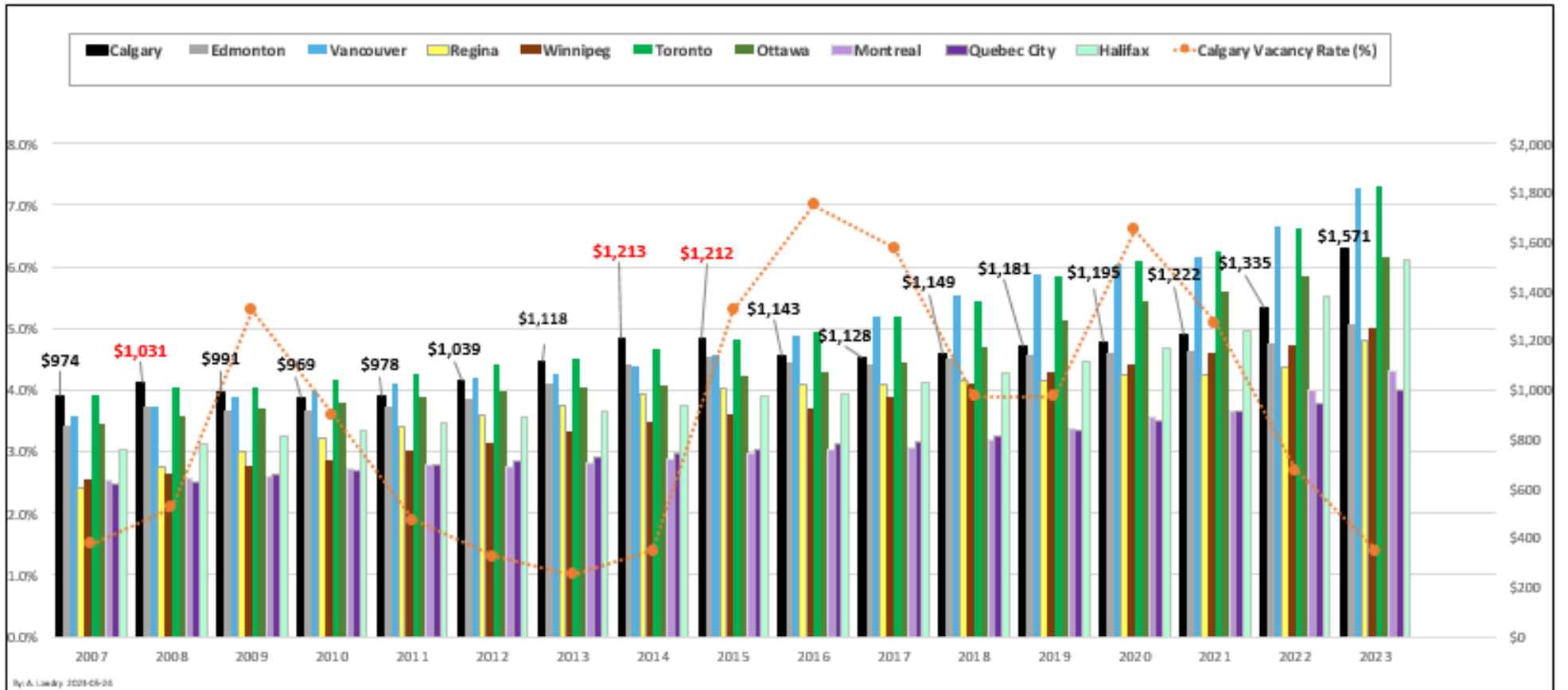


*“Canada, right now, is under a wave of new homelessness **on the same scale as Canada’s largest natural disasters**. People are being pushed out of their housing by huge increases in cost of rent...” [Emphasis added]*

In conclusion, I borrow a phrase used in [Three angry men and a triple crisis in Durham region](#) – The Globe and Mail – August 13 & 14, 2023 that involved Regional Chair John Henry, Durham Regional Police Chief Peter Moreira, and Oshawa Mayor Dan Carter facing the triple-pronged crisis of drug addiction, mental illness and homelessness. The article concluded stating to Prime Minister Trudeau *“For God’s sake, do something.”*

I say to ALL levels of government in Canada – Federal, Provincial, Municipal - *“For God’s sake, do the RIGHT thing – NOW.”*

Calgary (CMA) had the highest average apartment monthly rent of key Canadian cities (CMAs) in **2008** and **2014 - 2015**, prior to recessions and decreases in average rent. In Calgary (CMA): in 2016 vacancy was 7.0% and average rent **decreased**, but in 2020 during COVID-19 vacancy was 6.6% and average rent **increased**.



Source: [CMHC Housing Market Information Portal](https://www.cmhc.ca/en/housing-market-information-portal) - Full View - Summary Statistics > Primary Rental Market - Historical Rental Market Statistics Summary - Apartment - Average Rent (\$), Vacancy Rate (%). Major City (CMAs) 1990 to 2022 (October); Apartment Bedroom Type - Total; Average Rent (\$), Calgary Vacancy Rate (%).

Calgary (CMA) had the highest average apartment monthly rent of key Canadian cities (CMAs) in **2008** and **2014 - 2015**, prior to recessions and decreases in average rent. In Calgary (CMA): in 2016 vacancy was 7.0% and average rent **decreased**, but in 2020 during COVID-19 vacancy was 6.6% and average rent **increased**.

Year	Calgary Vacancy Rate (%)	Calgary	Edmonton	Vancouver	Regina	Winnipeg	Toronto	Ottawa	Montreal	Quebec City	Halifax
1990	2.0%	\$515	\$456	\$611	\$428	\$461	\$628	\$566		\$455	\$525
1991	3.7%	\$531	\$475	\$624	\$430	\$469	\$666	\$599		\$478	\$551
1992	5.5%	\$532	\$484	\$635	\$434	\$480	\$686	\$627		\$485	\$548
1993	5.9%	\$520	\$484	\$651	\$439	\$480	\$705	\$648		\$485	\$560
1994	5.1%	\$519	\$471	\$667	\$432	\$484	\$717	\$659		\$482	\$561
1995	3.6%	\$517	\$462	\$682	\$437	\$488	\$736	\$662		\$492	\$570
1996	1.5%	\$525	\$461	\$704	\$444	\$485	\$749	\$661		\$490	\$565
1997	0.5%	\$561	\$468	\$715	\$461	\$489	\$756	\$656		\$493	\$567
1998	0.6%	\$628	\$493	\$722	\$471	\$494	\$808	\$674	\$480	\$496	\$580
1999	2.8%	\$657	\$512	\$725	\$495	\$500	\$845	\$700	\$491	\$496	\$589
2000	1.3%	\$663	\$536	\$740	\$497	\$514	\$908	\$786	\$496	\$505	\$604
2001	1.2%	\$702	\$586	\$768	\$511	\$521	\$949	\$825	\$517	\$523	\$628
2002	2.9%	\$716	\$631	\$793	\$522	\$537	\$975	\$836	\$545	\$536	\$658
2003	4.4%	\$721	\$645	\$805	\$530	\$554	\$964	\$838	\$563	\$554	\$675
2004	4.3%	\$716	\$653	\$821	\$543	\$568	\$973	\$843	\$580	\$581	\$705
2005	1.6%	\$723	\$662	\$835	\$547	\$589	\$973	\$831	\$601	\$599	\$709
2006	0.5%	\$851	\$727	\$866	\$559	\$608	\$989	\$844	\$616	\$619	\$744
2007	1.5%	\$974	\$859	\$898	\$600	\$638	\$984	\$864	\$632	\$619	\$760
2008	2.1%	\$1,031	\$930	\$937	\$687	\$663	\$1,014	\$897	\$640	\$630	\$780
2009	5.3%	\$991	\$916	\$975	\$752	\$690	\$1,011	\$926	\$650	\$655	\$817
2010	3.6%	\$969	\$917	\$995	\$802	\$719	\$1,040	\$947	\$680	\$675	\$836
2011	1.9%	\$978	\$934	\$1,027	\$850	\$754	\$1,066	\$976	\$698	\$698	\$866
2012	1.3%	\$1,039	\$965	\$1,047	\$896	\$783	\$1,102	\$996	\$692	\$712	\$893
2013	1.0%	\$1,118	\$1,028	\$1,067	\$938	\$836	\$1,131	\$1,015	\$708	\$726	\$912
2014	1.4%	\$1,213	\$1,103	\$1,099	\$988	\$874	\$1,163	\$1,021	\$719	\$745	\$934
2015	5.3%	\$1,212	\$1,137	\$1,144	\$1,007	\$906	\$1,202	\$1,056	\$744	\$760	\$974
2016	7.0%	\$1,143	\$1,113	\$1,223	\$1,023	\$927	\$1,233	\$1,073	\$760	\$781	\$987
2017	6.3%	\$1,128	\$1,101	\$1,297	\$1,026	\$970	\$1,300	\$1,113	\$766	\$793	\$1,027
2018	3.9%	\$1,149	\$1,131	\$1,385	\$1,041	\$1,030	\$1,363	\$1,174	\$796	\$813	\$1,066
2019	3.9%	\$1,181	\$1,144	\$1,469	\$1,035	\$1,070	\$1,459	\$1,281	\$841	\$837	\$1,113
2020	6.6%	\$1,195	\$1,153	\$1,508	\$1,061	\$1,107	\$1,528	\$1,358	\$891	\$874	\$1,170
2021	5.1%	\$1,222	\$1,158	\$1,537	\$1,061	\$1,155	\$1,561	\$1,402	\$913	\$915	\$1,244
2022	2.7%	\$1,335	\$1,194	\$1,665	\$1,092	\$1,184	\$1,660	\$1,461	\$998	\$947	\$1,380
2023	1.4%	\$1,571	\$1,271	\$1,819	\$1,200	\$1,249	\$1,826	\$1,538	\$1,074	\$1,002	\$1,532

Source: [CMHC Housing Market Information Portal](#) - Full View - Summary Statistics > Primary Rental Market - Historical Rental Market Statistics Summary - Apartment - Average Rent (\$), Vacancy Rate (%). Major City (CMAs) 1990 to 2023 (October); Apartment Bedroom Type - Total; Average Rent (\$), Calgary Vacancy Rate (%).



H

HOUSING FIRST

AN INVESTMENT
WITH A RETURN IN PROSPERITY



THE REPORT OF THE ALBERTA AFFORDABLE HOUSING TASK FORCE

REPORT TO THE MINISTER ALBERTA AFFORDABLE HOUSING TASK FORCE

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TASK FORCE MANDATE

On February 1, 2007, the Government of Alberta appointed the *Alberta Affordable Housing Task Force* to find innovative and practical ways to make affordable housing more accessible and available to Albertans. The task force was asked to focus on finding solutions for homelessness and affordable housing, including subsidized rental and home ownership.

The task force included representatives from municipalities, business, community leaders, industry associations, political parties and the non-profit sector to provide a broad base of expertise and knowledge in housing matters.

Chaired by Len Webber, MLA for Calgary - Foothills, the task force traveled to nine Alberta communities in February and March to meet with key stakeholder organizations and individual Albertans.

The task force held community meetings in Grande Prairie, Fort McMurray, Edmonton, Red Deer, Hinton, Medicine Hat, Lethbridge, Calgary and Elk Point from February 16 to March 2, 2007.

TASK FORCE MEMBERSHIP

Len Webber (Chair), MLA, Calgary - Foothills

Cristian Carstoiu, Youth Advisory Panel

Mary Ann Eckstrom, Alberta Association of Municipal Districts and Counties (County of Grande Prairie)

Michael Farris, E4C

Tim LeClair, Métis Settlements General Council

Karen Leibovici, Councillor, City of Edmonton

Ray Martin, MLA, Edmonton - Beverly - Clareview

Bruce Miller, MLA, Edmonton - Glenora

Ravi Natt, Wood Buffalo Housing & Development Corporation/

Michael Allen, Wood Buffalo Housing & Development Corporation (Alternate)

Brian O'Leary, Q.C., Calgary Committee to End Homelessness

Larry Pempeit, Canadian Paraplegic Association (Alberta)

William R. Persley, Portage College

Brad Stevens, City of Calgary

Tara Veer, Councillor, City of Red Deer, Alberta Urban Municipalities Association (AUMA) Representative

Madelyn Todd, Urban Development Institute - Alberta

Kathy Watson, Canadian Home Builders' Association - Alberta

MESSAGE FROM THE TASK FORCE CHAIR



Over the past 45 days, I have been privileged to work with 15 dedicated Albertans, who have committed many hours, together with their experience and knowledge, to look at the issues of homelessness and affordable housing in Alberta.

We traveled to nine communities across Alberta – in good weather and bad – listening to a variety of Albertans explain the barriers they face in accessing, building or providing people with affordable housing. They also told us about their solutions to these problems.

We heard genuine appeals to make recommendations that will improve people's access to shelters when needed. People said the task force should ensure people can stay in their current homes if they want to, and that Albertans should be able to afford rental housing and home ownership. We heard how the lack of affordable housing affects Aboriginal, First Nations and Métis people, students, immigrants and newcomers, seniors, women leaving abusive situations, the disabled and many others.

With Alberta's tremendous opportunities come an equal measure of challenges. The task force has considered all it heard and has laid out a three-part plan of action. The plan acknowledges that Alberta must catch up to pent-up demand for affordable housing, as well as stay ahead as demand continues to grow.

I first want to thank the more than 1,400 Albertans who either e-mailed us, made a presentation to the task force, submitted a written proposal or left comments on our website.

I extend my sincere thanks to each member of the task force for their cooperation, hard work and good thinking on this task. We debated the issues with respect for the diversity of opinions and the task force has produced a solid foundation for a strong government response.

Yours truly,

A handwritten signature in cursive script that reads "Len Webber".

Len Webber, MLA, Calgary - Foothills
Chair – Alberta Affordable Housing Task Force

EXECUTIVE SUMMARY

The recommendations of the task force are summarized below. The following points highlight the key strategies presented by the task force:

- » The report acknowledges the seriousness of the housing situation facing Alberta and that implications of no action or inadequate action are severe. Task force members heard all across Alberta that:
 - Alberta’s housing shortage is a “crisis”.
 - It is gaining in severity as our economic growth continues.
 - It is both a critical economic and social issue (see page 8).
 - The issues require solutions across many fronts, given the complexity of the factors driving the shortages.
- » Task force recommendations are based on clear principles. They address the continuum of housing options and services required to support people (see page 12) and create inclusive communities.
- » The report gives Alberta a *plan* – both to tackle the current urgent situation and to generate the change Alberta needs in order to “get ahead of the curve” of today’s affordable housing shortages and sustain future growth.
- » The *Immediate Recommendations* outlined in the first part of this plan protect those in the market who most need it, stimulate the creation of new affordable housing across the housing continuum and eliminate barriers preventing quick responses to the current housing situation.
- » These *Immediate Recommendations* ask the government to consider limited, short-term market intervention to slow the current rate of rent increases and condo conversions (see pages 15 and 16). These two protective measures are coupled with a stimulus for the construction of affordable housing. The decision to recommend these protective measures was a very difficult one for the task force. There was a clear concern among many members about the impact of rent stability guidelines on overall housing supply and on rental rates once guidelines are removed in two years. At the same time, the task force was confronted everywhere with the plight of many renters who were losing their homes *now*. These people have few other options in today’s overheated market. The task force understood that keeping people in their current homes wherever possible is essential to deal with the urgent situation Alberta faces today.
- » These *Immediate Recommendations* require a significant investment over the next three years. The task force is aware that reference to these dollars can become the sole focus for many, including decision makers. But these dollars are an investment in managing the very growth that fuels the province’s economy. *It is an investment with a return in prosperity.* The report recommends capital investment be leveraged through partnerships to produce the maximum affordable housing units possible (page 17). However, the report also includes low-cost or no-cost recommendations to ensure better planning, policy integration and access to affordable housing — all of which are key to solving the current affordable housing dilemma.

- » This report acknowledges that homelessness and affordable housing need to be planned and delivered as:
- A continuum of inter-related components (see page 13) – as a system within which influences in one area can have an impact across the whole housing spectrum.
 - A continuum with necessary services and supports imbedded in it to ensure people can progress along the spectrum of housing options.
 - An approach that focuses on eliminating the need for shelters, and instead expands responsive, transitional and supportive living options – options that surround the individual with the services and supports they need to be as self-reliant as possible given their circumstances.
 - An approach designed to ensure Albertans who need a safe shelter have one, but most importantly that they have the chance for an affordable *home*.
 - Recognizes that Albertans should have housing options, including owning their own home, even on modest incomes.
- » The plan also includes recommendations to do things better in the future in order to avoid the types of measures Alberta must institute now:
- Aligning policies across government, particularly around the release of suitable crown lands and lands held in reserve by all orders of government and by school boards.
 - Creating an entity – a Housing Secretariat or Council (see page 19) – with the mandate to integrate efforts across governments, regions and communities in order to ensure efficient and effective responses to local needs.
 - Developing a *Ten-Year Alberta Housing Plan* focused on eliminating homelessness and ensuring an ongoing supply of affordable housing that reflects the needs, resources and opportunities across the housing continuum in individual regions and communities.
 - Outlining what the province, municipalities, industry and the federal government should do, or must consider doing, to support change and ensure an ongoing supply of affordable housing.
 - Removing the red tape and duplication imbedded in the system today.
 - Ensuring more barrier-free housing options.
 - Moving resources to the regional, municipal and community level to enable them to make the best decisions and take actions to address specific, local needs.
 - Strengthening Alberta’s non-profit sector as a key player in the development of affordable housing.
 - Adapting legislation to support the full scope of recommended changes.

This array of solutions provides a solid foundation for a strong Government of Alberta response to the *Alberta Affordable Housing Task Force Report*. It addresses the immediate urgency of Alberta’s housing situation, removes barriers for the future and changes the landscape – both in terms of how Alberta defines affordable housing, and how it is delivered.

THE IMMEDIATE SITUATION

Step 1 – Eight Immediate Measures to Tackle the Shortage

1. Establish a *Homeless and Eviction Prevention Fund* (\$7 million annually)
2. Stabilize Volatility for Renters
 - 2a. Introduce two-year *Rent Stability Guidelines*
 - 2b. Use capital grants to stimulate rental construction
 - 2c. Introduce *New Guidelines for Condo Conversions*
3. Increase Funding for Temporary Emergency Shelter Spaces
 - 3a. *Shelter Allowances* (\$35 million annually)
 - 3b. *Alberta Homeless Initiative* (\$6 million annually)
4. Establish and Fund an *Alberta Transitional Housing Initiative*
 - Operating dollars (\$12 million annually)
5. Increase *Alberta's Rent Supplement Program* Allocation (\$33 million annually)
6. Enhance Capital to Leverage a Maximum Supply of Housing (\$480 million annually)
 - Stimulus for transitional, supportive and affordable rental housing (\$364 million)
 - Home ownership support over five years (\$100 million)
 - *Aboriginal Housing Trust* (\$16 million)
7. Enable Greater Flexibility in the Use of Capital Grants
8. Ensure Quick Release of Suitable Crown Lands, Surplus Provincial Lands and Surplus School Sites

INCREASING SUPPLY AND IMPROVING RESPONSIVENESS

Step 2 – Five Short-Term Priorities to Remove Barriers and Increase Access

1. Develop a *Ten-Year Alberta Housing Plan* and Establish a Housing Secretariat or Council
2. Ensure Ongoing Access to Affordable Land
3. Move to Block Funding in Allocating Capital Dollars
4. Revise The Municipal Government Act to Support More Flexible Zoning, Density Bonuses and Other Incentives
5. Develop Flexible Incentives to Stimulate Supply-Side Responses

Step 3 – Better Ways for the Future

- » Cut Red Tape and Improve Efficiencies
- » Better Integration of Planning and Policy
- » Ongoing Supply and Improved Access
- » Strengthen the Non-Profit Sector
- » Appropriate Services/ Supports Along the Continuum
- » Amend Legislation to Support Change

BACKGROUND – HOMELESSNESS AND AFFORDABLE HOUSING IN ALBERTA

A SAFE, AFFORDABLE HOME IS ESSENTIAL TO DIGNITY, GOOD HEALTH AND A FAIR CHANCE AT A PRODUCTIVE LIFE

Alberta is experiencing continued high growth and tremendous economic and social opportunities. But with this opportunity comes an array of challenges.

People are moving here in record numbers, looking for good jobs and an attractive quality of life. This influx is critical to sustaining Alberta's economic growth. At the same time, the province is experiencing tremendous pressure on its housing supply. The consequences are clear all across Alberta. The lack of affordable housing is increasing homelessness. It is creating a new category of the "nearly homeless" – those who are one rent increase away from not being able to afford their home; it is eliminating the dream of home ownership for first-time and modest-income home buyers – and jeopardizing Alberta's ability to keep pace with growth.

The Situation Alberta is Facing:

- » Alberta had a 10.4% increase in total population since 2001 – double the national average.
- » The strong economy has helped spur migration into the province, which contributes to a rental vacancy rate of 0.9% – the lowest in a generation and a third of the national average.
- » If this economic growth continues to 2025, Alberta could face a shortfall of 332,000 workers, many of whom will come from other countries and cultures and will need housing.
- » Vacancy rates in rural Alberta have decreased dramatically since 2003. The overall vacancy rate in rural Alberta in 2006 was 1.4% – a ten-year low.
- » According to the Canadian Mortgage and Housing Corporation (CMHC), the two highest rent increases in Canada last year were in Calgary and Edmonton (19.5% and 9.9%, respectively) well-above the national average increase of 2.4%.
- » A recent Royal Bank of Canada (RBC) report indicated home prices rose 50-60% in Calgary last year and close to 40% in Edmonton, and increasing an average of 13.3% across the province. "Alberta has the strongest decrease in affordability since 1990 and housing affordability is approaching an *all-time low* in the province," the report said.

"Your government is taking action – it has created a Provincial Task Force to find ways to make affordable housing accessible to all Albertans."

~ Throne Speech, March 2007

"Homelessness is a side effect of Alberta's success."

- » In 2006, 8,900 people were waiting for subsidized housing across all programs. This number will grow substantially given the tight and increasingly expensive market.
- » Alberta's homeless population is growing. Calgary's 2006 count of homeless indicated a 32% increase over the past two years. During the same period, Edmonton showed an increase of 19%, while Fort McMurray's homeless population increased by 24%. Aboriginal people are over represented in Alberta's homeless population.
- » The number of Albertans in core need of housing was more than 106,000 five years ago.** That number will have substantially increased as the price of housing has nearly doubled during that time.
- » The total number of subsidized housing units in Alberta has remained constant for the past 5 years.

*"The Government of Alberta recognizes that economic prosperity must not come at the expense of Quality of Life and will act decisively to minimize and address the issue of affordable housing."
~ Throne Speech, March 2007*

WHAT THE TASK FORCE HEARD

The task force distributed a *Framework for Discussion* through its website, met directly with the federal government and other groups and solicited written presentations from a variety of organizations with an interest in the issues of affordable housing and homelessness. In all, close to 1,400 unique submissions were received and reviewed from government, business, non-profit organizations and individual Albertans.

The consistent themes from these submissions, discussions and presentations are outlined below. The methodology of coding this data and aggregate top-line results are available in Appendix 2.

HOMELESSNESS AND THE LACK OF AFFORDABLE HOUSING IS A SERIOUS AND GROWING ISSUE

In every municipality, Albertans were unanimous in declaring the issue "a crisis", the housing shortage "severe" and the timeline "urgent and immediate".

IT IS BOTH AN ECONOMIC AND SOCIAL ISSUE

The lack of affordable housing directly affects Alberta's ability to attract much needed skilled and unskilled labour, and provides significant barriers to moving forward with the province's *Building and Educating Tomorrow's Workforce Strategy*. In addition, chronic homelessness is expensive; according to the United States Interagency Council on Homelessness, tackling chronic homelessness saves public dollars by reducing emergency room visits, ambulance costs, hospital admissions, arrests, court costs and mental health support costs.

"Shelter is a need, not a commodity."

"People looking for a job need an address."

"Governments should stay out of the housing business. Leave it to the private sector."

"Affordable housing is vital to Alberta's competitiveness."

"If you can't house people, you'll crush the growth."

** CMHC Alberta Housing Study, 2001 data

THE FACE OF HOMELESSNESS IS CHANGING

Alberta's growing homeless do not fit a traditional stereotype. Increasingly, they include the working poor (those who work in lower-wage jobs), temporary and new workers that Alberta businesses have worked hard to attract here, families who were living in affordable apartments until rents escalated rapidly, seniors whose apartments have been turned into condos that they can't afford to purchase and people without the services and supports they need to move out of shelters and progress along the continuum of housing options.

"Housing is the number one need of clients of the Schizophrenic Society."

For those Albertans who work in the highest-growth communities, either as professionals or in the services sector, the cost of housing in all forms has become prohibitive.

THE ISSUE AFFECTS COMMUNITIES ALL ACROSS ALBERTA

This is both a rural and an urban issue. Communities are unique, and common problems have different dimensions, requiring distinct regional and local solutions. The challenges faced in Lethbridge or Elk Point differ for those faced in Edmonton. But the level of concern is high and rising everywhere.

"Dealing with homelessness benefits everyone in our community."

Across the province, municipalities emphasized their willingness and readiness to deal with affordable housing and homelessness. They stressed the need for provincial support for local initiatives, and requested the tools to provide solutions.

THE ISSUES ARE COMPLEX – ALBERTA IS FACING A “PERFECT STORM”

Tight Supply -

Alberta currently has a high demand for all types of housing – barrier-free units, single-family homes, rental units, condominiums, subsidized housing, transitional housing and shelter spaces. At the same time, there is a lack of affordable land and market incentive to build affordable housing. This combination of factors undermines the options to generate affordable housing quickly.

"Build more apartment buildings to increase supply."

High Cost -

Tight supply, high demand, serious labour shortages and ever increasing construction costs drive up costs to build and access all types of housing. In addition, builders and non-profit organizations said that high development charges and off-site levies charged by municipalities are responsible for as much as \$15,000 to \$25,000 of the price of a new home. All these cost increases have moved entry-level homes out of the range of affordability for many working Albertans.

Albertans suggested a number of solutions to combat these cost barriers. Their solutions included market incentives for private developers to build more rental units and subsidized housing, immediate increases to rent subsidy programs, mortgage support programs for lower income families, government policy changes to rapidly incent more units and empowering non-profit organizations to deliver units in partnership with governments.

"I am one rent increase away from being homeless."

Those impacted most by cost increases in this surging economy are those Albertans on fixed incomes, for many of whom the boom has become a bane. The task force heard that seniors, the severely disabled, students and those on *Assured Income for the Severely Handicapped* (AISH) or *Income Support* have seen their housing costs skyrocket while their incomes remain static.

"Try living on \$1,000 when rent is \$800."

A Lack of Affordable and Serviced Land -

Many high-growth municipalities and non-profit organizations said that the lack of affordable and serviced land available for development was an impediment to increasing housing supply. At market value, land in high-growth, high-cost communities prohibits building affordable rental, ownership or social housing projects.

A Lack of Checks and Balances in the Marketplace -

Rising rents affected the broadest cross-section of Albertans, including students, seniors and families. Tenants cited conversions to condominiums, frequent and significant rent increases, a lack of suitable rental units and steadily shrinking real housing allowances as barriers to affordable living arrangements. The most commonly suggested solutions (increased rent supplements, guidelines on the frequency and level of rent increases and a slow down on condo conversions) reflected a desire by Albertans for a degree of stability and security in the rental market.

"If we had affordable land, we could make things happen."

In many cases, accessible support to pay damage deposits, first and last month's rent, emergency rental support and landlord/tenant dispute mechanisms would help people keep their apartments in a volatile market.

"My rent increased from \$625 to \$1,500."

SOLUTIONS MUST BE BALANCED

Given the complexity of market forces at play, responses to the housing crisis will need to call on both incentives (such as tax and subsidy incentives to developers, builders and landlords) and regulations (such as regulations to allow mixed-use housing on public reserve lands, quality standards for building affordable and barrier-free housing and tenants' rights). The challenge is in finding the right balance of "carrots" and "sticks".

"Eliminate stop/start granting."

THE KEY IN THE FUTURE IS BETTER PLANNING AND POLICY DEVELOPMENT

In light of future growth projections, the need was stressed everywhere for a longer-term plan – both politically and fiscally – rather than “band-aid” solutions. Alberta’s acute housing problem did not occur overnight. Alberta must develop better planning processes now in order to stay ahead as Alberta continues to grow and prosper.

In addition, there are many rules and program criteria that don’t align with the broader necessity of increasing affordable housing options for people. For example, home sharing programs were discussed in Grande Prairie and other communities. For seniors or persons with disabilities, shared accommodation could be a preferred and quick solution to housing shortages. But a number of current government income support programs will not allow accommodation sharing within their criteria. Program guidelines and criteria must be reviewed to see if they are creating barriers to innovative and common sense solutions.

“Why not allow two people on AISH to share an affordable apartment.”

SOLUTIONS WILL REQUIRE INTEGRATION AND COLLABORATION

Virtually everyone said governments and communities need to act collaboratively to implement solutions and coordinate planning, to explore synergies and minimize duplication and to establish partnerships and minimize competition among non-profit and community organizations.

“The Government of Alberta is committed to focusing on better coordination, development and planning.”
~ Throne Speech, March 2007

The array of provincial government departments involved in housing initiatives (Alberta Municipal Affairs and Housing, Alberta Seniors and Community Supports, Alberta Employment, Immigration and Industry, Alberta Health and Wellness) and in various land use policies (Alberta Municipal Affairs and Housing, Alberta Sustainable Resource Development, Alberta Environment, Infrastructure and Transportation) adds tremendous complexity to solving specific problems and developing broader solutions. This is further complicated by the fact that the federal government has distinct homelessness and affordable housing programs and municipalities have a frontline role in approving zoning, densities and specific projects. Non-profits, service providers and builders and developers must meet the diverse criteria and processes of all these orders of government.

“Allow each community to take control of its own situation.”

Collaboration and integrated planning is essential across provincial government departments, between all orders of governments and between governments, the private sector and regional and community housing providers. In fact, the task force heard many times that a long-term *Alberta Housing Plan* is needed to integrate strategies of local, regional, provincial and national efforts.

SOLUTIONS MUST ACKNOWLEDGE DIVERSITY

This issue impacts demographic groups in diverse ways. The task force heard about the distinct challenges many groups face. There are a lack of spaces for families in student dorms, insufficient housing options and supports for Aboriginal families moving into communities across Alberta, a lack of accessible, barrier-free housing and a lack of transitional housing for those struggling with mental illness and addictions. The task force also heard that biases against these groups by landlords limits access to affordable housing for them in a tight market.

“A variety of housing is needed, not just cookie-cutter facilities.”

FRONTLINE AGENCIES NEED SUPPORT

Many frontline, non-profit agencies are facing chronic staff shortages and volunteer fatigue as workloads increase, funding for services remains tight, wages remain low, benefits are lacking and more hours are dedicated to overly complex grant and funding processes. These frontline staff are key to providing the services and supports that support the housing continuum.

“There is a human resource crisis in the non-profit sector.”

TACKLING THE CHALLENGE – THE ALBERTA AFFORDABLE HOUSING TASK FORCE ASSIGNMENT

In its first meetings, the task force made two fundamental decisions. It agreed that any recommendations and solutions must acknowledge and address the full continuum of housing options and services, and secondly, recommendations must be based on clear principles.

A PRINCIPLES-BASED APPROACH TO SOLUTIONS

The task force based its recommendations on the following principles:

- » Safe, affordable housing is essential to the well-being of people in society. Every Albertan should have a home.
- » Homelessness and affordable housing must be viewed along a continuum of housing options and supports that meet individual needs. People must have every opportunity to progress along this continuum.
- » Affordable housing must be available and accessible to Albertans who need it.
- » Funding for housing is not a cost – it is an investment in the social and economic well-being of Alberta.
- » Alberta must take a planned, long-term view to eliminating homelessness and providing affordable housing.

- » Communities’ housing issues and solutions are unique. Planning, policies and programs must be responsive to local and regional needs and market conditions.
- » Responding effectively to homelessness and affordable housing is a shared responsibility. Integration and coordination of partners’ planning, funding and initiatives is key to success.
- » We must acknowledge and respond to diversity of people’s needs.

“HOUSING FIRST” – DEVELOPING SOLUTIONS ALONG THE HOUSING CONTINUUM

The housing continuum encompasses housing options that range from temporary shelters right through to market housing. In fact, the continuum starts with preventive programs designed to keep people from having to enter shelters in the first place, and assumes that the goal is eventually not to need shelters at all.

“There’s never enough dollars set aside for the operating costs.”

Alberta needs to adopt an integrated **Housing First** perspective. This new approach to homelessness places individuals and families in the housing option on the continuum that best fits their needs, then “wraps” appropriate services around them in order to assist them to develop as much self-reliance as their circumstances allow.

The housing continuum includes emergency shelters, transitional housing (providing support to people to increase their self-reliance), subsidized housing in all its forms, through to market rental and home ownership. The continuum, and the services and supports imbedded in it, is an inter-related system – solutions cannot be applied to one area of the system without impacting others.

THE AFFORDABLE HOUSING CONTINUUM



In Alberta right now, the pressures at the market housing end of the continuum are beginning to reverse the flow along the housing stream. As rental units are converted to condos, renters, families and newcomers have been forced into temporary and inadequate housing or transitional spaces. The lack of transitional spaces causes a bottleneck for those leaving emergency shelters. Finally, at the other end of the continuum, the influx of people needing shelters increases the number of unsheltered homeless on the street.

TASK FORCE RECOMMENDATIONS – A HOUSING FIRST PLAN FOR ALBERTA

FROM URGENT RESPONSE TO PROACTIVE PLANNING

The challenge given to the *Alberta Affordable Housing Task Force* has a number of dimensions:

- » The situation has been growing over several years and time for further study and discussion has run out. We are facing a housing shortage that requires immediate measures.
- » Actions can have consequences in a volatile, overheated market. There needs to be careful consideration of the marketplace implications of all solutions.
- » Solutions will require the cooperation of governments, private land and housing sectors, non-profits, school boards, universities, community groups and citizens.
- » At the same time, steps need to be taken to ensure a more planned, informed and coordinated response to homelessness and affordable housing issues in the future.

A Three-Step, Housing First Plan has been developed by the task force in order to:

Step 1. Respond to the current situation with recommendations across the housing continuum.

Step 2. Set priorities to remove barriers and improve access to affordable housing.

Step 3. Define better ways for the future.

STEP 1 – EIGHT IMMEDIATE MEASURES TO TACKLE THE SHORTAGE

OUTCOME - STEM THE FLOW OF ALBERTANS FACING HOMELESSNESS AND LOSS OF THEIR HOMES

1. Establish a *Homeless and Eviction Prevention Fund*

- » This \$7 million fund (replenished over three years) would be used to prevent more Albertans from entering into the stream of “near homeless” or homeless. It would provide for damage deposits, first-month’s rents, landlord/tenant mediation, emergency rent shortfalls, etc. to keep people from losing their current homes.

2. Stabilize Volatility for Renters

- » The task force recognizes the importance of increasing rental supply as a means of stabilizing rents through market forces. The task force also recognizes that the current rental rate increases in Alberta are driving people from their homes with few affordable options left in the market. The task force is therefore asking the government to consider three measures to minimize volatility for renters:

2a. - Introduce a two-year *Rent Stability Guideline* that:

- Would stipulate rental rate increases once annually.
- Be in place for a two-year period only.
- Keep rental rate increases within a guideline of CPI plus 2%.
- Allow owners to apply for an increase over the annual guideline to recover actual costs (utilities, taxation, capital improvements, etc.).
- Exempt new construction from the guidelines.

The decision to recommend this protective measure was a very difficult one for this task force. There was clear concern among many members about the impact of rent guidelines on overall new rental supply, and on rental rates once guidelines are removed in two years. At the same time, the task force was confronted everywhere with the plight of renters who were losing their homes *right now*. These people have few other affordable housing options in today's overheated market. The task force understood that keeping people in their current homes wherever possible is essential while dealing with the urgent situation Alberta is facing.

2b. - Use per-door capital grants to stimulate construction of rental units (see *Enhance Capital Resources for Affordable Housing Supply* next page).

2c. - Introduce new *Guidelines for Condo Conversions*. Property owners would be required to provide one year's notice on the conversion of rental units to condominiums, with no rent increase during that period. Current tenants would have first right of refusal to purchase the unit, together with access to education about home ownership and support program options.

OUTCOME – REDUCE GROWING AND UNACCEPTABLE WAIT LISTS FOR SHELTERS AND TRANSITIONAL HOUSING

3. Increase Funding for Temporary Emergency Homeless Shelter Spaces

- » Wait lists for homeless shelters are growing across Alberta and more spaces must be made available as soon as possible. This may require the use or conversion of under and unused facilities to meet needs on a temporary basis. In the longer-term, shelter space requirements should decrease as more transitional and affordable housing is developed.
- » Shelter spaces suitable for families must also be increased. All suitable modes should be considered, including the use of motel, hotel and other temporary options.
- » On both fronts, communities should determine the best opportunities and choices for these temporary shelter options. Individual needs would be assessed in the shelters and case plans developed to support people as they move along the continuum of housing options.
- » In order to fund these shelter space increases, two investments are required:

3a. - Increase the current budget for *Shelter Allowances* from \$23 million annually to \$35 million and adjust the per-space rate to reflect costs.

3b. - Increase the budget for the current *Alberta Homeless Initiative* from \$3 to \$6 million annually for at least the next three years.

4. Establish and Fund an *Alberta Transitional Housing Initiative*

- » Appropriate funds are required to reinforce transitional housing. Transitional housing provides the services and supports individuals need to improve their self-reliance and live as independently as their circumstances allow. This investment will address growing needs for youth shelters, housing for those with mental illness and addictions, housing for those with disabilities, women leaving abusive situations and others in need of transitional supports.
- » Capital costs to provide additional transitional housing is included in the capital resources recommendation below. **To support these new units, additional transitional housing operating dollars of approximately \$12 million per year is required.**

OUTCOME – TAKE ACTION TO INCREASE AFFORDABLE HOUSING SUPPLY

5. Increase *Alberta's Rent Supplement Program (RSP) Allocation*

- » The more timely and efficient solution to get people into affordable housing is to increase the current allocation to rent supplements. **It is recommended that the province move immediately to increase allocation for the *Alberta Rent Supplement Program* from \$19 million to \$33 million annually.**
- » Apportion of the RSP allocation would be used for a pilot project to test the feasibility of attaching subsidies to qualified individuals, rather than to units. In addition, current RSP criteria should be reviewed to ensure eligibility criteria do not create unreasonable barriers to qualification in current market circumstances.

6. Enhance Capital Resources for Affordable Housing Supply

- » The cumulative volume of pent-up demand and future demand growth for affordable housing is difficult to assess. Current wait lists for all forms of affordable housing in Alberta is approximately 9,000 units. A conservative estimate of the need over the next five years would be about 12,000 units. This estimate of 12,000 is a minimum number. The actual number will depend on the ability to leverage capital dollars through partnerships and the rate at which these units can be delivered into the market.
- » **The task force has forecast and estimated the delivery of a minimum of 12,000 additional affordable housing units over five years at a cost of \$480 million per year.** These units would include transitional housing and affordable housing, including rental and home ownership. Estimates of specific allocations of dollars to each housing option are difficult to determine with any precision with the information available to the task force. These capital dollars are intended to be used to leverage as many units as possible through a range of partnerships with municipalities, non-profit, and the private sector. These partnerships would pursue matching dollars, land donations and incentives.

Capital funds would be allocated to:

- » *Stimulate new rental and supportive housing units* (\$364 million). For example, with innovation and successful leveraging of these dollars, Alberta should target to produce:
 - No less than 2,000 units of transitional and supportive housing (youth, Albertans with addictions and/or mental health issues, women leaving abuse, etc.).
 - No less than 3,000 units of affordable rental housing (including housing for seniors, students, Albertans with disabilities and overall rental market stimulus).

- » *A new Alberta Home Ownership Assistance program.* The expectation is that this program should be developed by the province and available to entry-level homeowners within six months. **Approximately \$100 million of enhanced capital would be available for this initiative.**
- » *Matching the federal Aboriginal Housing Trust* with provincial funding to support urban Aboriginal housing, for a total of **\$16 million annually.**

The three initiatives above should produce no less than 12,000 units of affordable housing in all these categories over five years.

7. Enable Greater Flexibility in the Use of Capital Grants

- » A key to increasing the supply of rental and single-family homes will be providing affordable land for this purpose. The Government of Alberta should immediately allow capital grants to be used for the acquisition of land and current buildings in addition to new construction.
- » The amount of grants should depend on the economics of the individual project, not be driven by a capped grant. This will enable a more rapid increase in available affordable housing stock and would spur construction starts.

8. Ensure Quick Release of Suitable Crown Land

- » The province should release crown land, surplus provincial lands and surplus school sites for affordable housing to municipalities and non-profits as soon as possible, and at a nominal fee where appropriate.

SUMMARY OF CRISIS RESPONSE ALONG THE HOUSING CONTINUUM

Prevention	Shelters	Transitional Housing	Subsidized Housing	Affordable Housing	
<i>Homelessness Prevention Fund</i> (\$7M annually)	Increase the <i>Shelter Allowance</i> (\$35M annually) Double the <i>Alberta Homelessness Initiative</i> (\$6M annually)	Operating funds (\$12M annually)	Expand the <i>Alberta Rent Supplement Program</i> (\$33M annually)		
OUTCOMES					
Prevent people from becoming homeless	Safe shelter for chronically homeless Reduce the number of unsheltered homeless	Reduce the number of homeless Move people through the continuum Fund existing capacities Provide dollars to support frontline resources	Increase the number of affordable rental spaces Decrease the wait list	More land for future use Incent supply Increase housing stocks across the continuum	

STEP 2 – FIVE PRIORITIES TO REMOVE BARRIERS AND INCREASE ACCESS TO AFFORDABLE HOUSING

In addition to this crisis management plan, the *Alberta Affordable Housing Task Force* is making recommendations to government, non-profits, the private sector, the federal government and municipalities to address the complexity of issues related to homelessness and affordable housing.

FIVE PRIORITIES FOR SHORT-TERM ACTION

1. Priority – Develop a *Ten-Year Alberta Housing Plan* and Establish an Alberta Housing Secretariat/Council

1a. - Develop a *Ten-Year Alberta Housing Plan* that includes the goal of eliminating homelessness and integrates the information, policies and programs provided by the province, municipalities, non-profits, school boards and industry. The plan should:

- Establish targets, including types and numbers of units.
- Build upon regional and municipal housing plans that consider five to ten year horizons, and are adjusted appropriately to reflect market changes.
- Be reviewed every three years to ensure it meets current needs.

1b. - Establish a single entity – the Alberta Housing Secretariat or Council – which has the mandate, funding and accountability to ensure an integrated system to address issues of homelessness and affordable housing. This entity would exist under legislation, and receive its funding and mandate from government. It would have the direct support of the Premier and be accountable through the Minister to the Treasury Board. This affordable housing entity would:

- Be responsible for developing the *Ten-Year Alberta Housing Plan*, based on regional and community plans.
- Develop outcome goals along the housing continuum.
- Have the ability to maximize synergies and economies of scale in both public and non-profit sectors.
- Coordinate and integrate programs and initiatives across current government and non-profit sector silos.
- Manage funding for homelessness and affordable housing drawn from across government's current programs.
- Manage new funds and initiatives directed at homelessness and affordable housing.
- Have the authority to make decisions and act.
- Complete a comprehensive review of structural issues across governments and non-profits that create confusion, duplication and barriers to access housing programs and supports (for example, clarifying jurisdictional responsibility for youth shelters).
- Provide one-stop “window” for those seeking information and support related to homelessness and housing.
- Gather and disseminate strategic information.

2. Priority – Ensure Ongoing Access to Affordable Land

- » Develop a single, comprehensive policy across government departments on the release and disposal of crown lands, surplus provincial lands and surplus school sites. The policy should consider releasing crown lands, surplus provincial lands and surplus school sites at nominal cost where appropriate.
- » Extend the Community Spirit Program for Charitable Giving announced in the Throne Speech to include the donation of land for public interest projects such as affordable housing.
- » Work with municipalities to establish land trusts – enabling non-profit entities to hold and develop land for a community.
- » Reduce off-site levies and charges, or otherwise incent development for affordable housing.

3. Priority – Move to Block Funding in Allocating Capital Dollars

- » Establish indexed, block funding in place of ad-hoc grants to ensure greater regional and community responsiveness and enable municipalities and service organizations to take advantage of available market opportunities. During the transition to block funding, ensure current capital grant programs reflect inflationary pressures, particularly rising construction costs.

4. Priority – Revise the *Municipal Government Act* (MGA) to Support More Flexible Zoning, Density Bonuses and Other Incentives.

- » Amend the MGA to allow for inclusionary zoning that designates a portion of lands for mixed use and entry-level housing and allows for increased densities and other incentives to support the development of more affordable housing.

5. Priority – Develop Flexible Incentives to Stimulate Supply-Side Responses.

- » The province should consider and support a basket of incentive options for builders and developers to drive increased affordable housing construction (consider tax, grant and subsidy options). For example, the province can adopt the 50/30/20 model supported by the City of Calgary to encourage developers to include affordable housing in future developments. Make a flexible range of incentives available – forgivable loans, income tax incentives, education tax waiver matched by a municipal property tax waiver. Developers would build 50% market units, 30% near-market units and 20% subsidized units and maintain these unit ratios over a 20-year commitment.

STEP 3 – BETTER WAYS FOR THE FUTURE

The following wide-ranging recommendations were developed to support more systemic change. They reference responsibilities of the province, municipalities, the federal government and the private sector and are designed to:

- » *Cut red tape and the “bureaucracy of poverty” that creates barriers to access for people.*
- » *Enable greater regional and local responses to housing issues.*
- » *Strengthen non-profit sector as a partner in providing affordable housing in those communities that choose this mechanism.*
- » *Ensure that legislation required to enable immediate, near- and longer-term change is in place.*

OUTCOME – CUT RED TAPE AND IMPROVE EFFICIENCIES

- » Develop initiatives to improve efficiencies, greater synergies and reduce duplication within government, among non-profits and between both sectors.
- » Improve government responsiveness:
 - All provincial departments to adopt an eight-week turnaround on housing grants and funding requests.
 - Capacity should allow service providers to adopt a four-week maximum referral period.
 - Province to reduce land title transfer times.
- » Review shared accommodation restrictions in current government programs that create unnecessary barriers to accessing affordable housing and eliminate where appropriate (for example, shared accommodation restrictions and asset levels).
- » Create clear, standard provincial grant and program procedures to minimize the time and money costs for non-profit groups and developers:
 - Standardized cross-ministry grant forms and templates.
 - Provide support to applicants during process.
- » Eliminate provincial procedures for non-profits and service providers that are ineffective and inefficient, for example: multiple audits of the same program, different application forms for each department, certain due diligence practices.

OUTCOME – BETTER INTEGRATION OF PLANNING AND POLICY

- » Adopt a consistent definition of “affordable housing” for the purpose of policy and program development.

Recommended definition:

Affordable Housing is housing for households of below median income (determined regionally) costing 30% or less of their monthly income. Affordable rents are based on tenants paying 30% of their income to rent and utilities and income tested annually to ensure continued eligibility. Affordable housing includes housing built by the private, co-operative, non-profit and public sectors.

- » Quickly move to develop an inventory of existing under-utilized or unused public infrastructure (both land and facilities) as a tool for planning future affordable and mixed-income housing development opportunities.
- » Re-define provincial funding from a three- to a five-year time frame to ensure proper planning and program sustainability.
- » Re-establish a mechanism for regional planning that provides for dispute resolution.
- » Re-establish regional landlord/tenant boards with mediation and dispute resolution powers, and fund these boards.
- » Create a \$250,000 provincial *Innovation Challenge Fund* to foster and recognize innovative housing initiatives.
- » Institute environmental scanning to improve responsiveness to market changes and improve longer-term planning.
- » Provide builder incentives to ensure quality and “green” construction in affordable housing.

OUTCOME – ONGOING SUPPLY AND IMPROVED ACCESS TO AFFORDABLE HOUSING

The Province:

- » Review the housing component of student loans and social allowances, such as *Assured Income for the Severely Handicapped* (AISH) and *Income Support*, to enable them to reflect market conditions, especially in high-cost markets.
- » Expedite the clean-up of “brownfield” (environmentally reclaimable) sites to increase available lands.
- » Capital grant programs such as the *Alberta Housing Initiative* (AHI) and *Rural Affordable Supportive Living* (RASL) should become ongoing, sustainable programs. Continue seniors’ renovation grants: Increase eligible costs in the *Residential Access Modification Program* (RAMP) and *Residential Rehabilitation Assistance Program* (RRAP) and raise these programs’ ceilings (See Block Funding page 20).
- » Work with Alberta Advanced Education and Technology, Alberta’s technical colleges and trade unions to adjust the current apprenticeship program to recognize specializations within the trades (framing, roofing, finishing, cabinetmaking) and allow the acquisition of specific certifications on the path to full accreditation (e.g., carpenter).

Municipalities:

- » Move forward on inclusionary zoning coupled with density bonuses as soon as recommended MGA revisions allow.
- » Release available surplus lands from municipal reserves for affordable housing.
- » Develop five- to ten-year regional and community housing plans. The province should provide a process and facilitators to assist with this process.
- » Municipalities prepared to consider secondary suites should act on recommendations in the *Report of the MLA Review Committee on Secondary Suites*.

- » Proactively acquire land both from the province and from private landholders and bank it, in accordance with regional and local *Ten-Year Alberta Housing Plan*.
- » Develop and share strategies to deal with the Not-In-My-Backyard (NIMBY) factor regarding affordable housing.
- » Municipalities should track and report on new affordable housing units.

The Federal Government:

- » The federal government should pursue further opportunities to support affordable housing:
 - Change regulations to eliminate capital gains tax on donations of land for affordable housing.
 - Rebate a greater portion of GST on new homes.
 - Rebate a portion of the GST for non-profits' capital and operating costs.
 - Substantially increase federal government funding.
 - Extend and accelerate capital cost depreciation.
 - Reinstate the Cooperative Housing Initiative.
 - Create a National Housing Strategy.

Industry:

- » Ensure the *Royalty Review Task Force* currently underway in Alberta considers how best to ensure an appropriate contribution by large-scale resource industries to communities with long-term impacts of their developments (and vacancy rates of less than 1%) through a revised resource royalty structure.
- » Require regulatory boards such as the Alberta Energy and Utilities Board (AEUB) to review housing and other infrastructure needs as part of industry development approval processes.
- » Encourage the use of innovative temporary housing models by industry for their workforces. These options could be adaptable to other uses when no longer needed.
- » Engage the housing industry (UDI, Canadian Home Builders' Association, etc.) through Public-Private Partnerships (P3s).

OUTCOME – STRENGTHEN THE NON-PROFIT SECTOR

- » Stabilize and enhance operating funding for community-based, non-profit groups.
- » Provide a guide or “facilitator” in the provincial public service to assist smaller communities and non-profits.
- » Create a non-profit service providers registry to encourage regional alignment and facilitate collaboration:
 - Minimize duplication, while not limiting the ability of the non-profit groups to capture specific niches and share resources.
 - Capture synergies between similar non-profit groups (shared office space, administrative staff, etc.).

OUTCOME – ADEQUATE SERVICES/SUPPORTS ALONG THE CONTINUUM

- » Implement a preferred case management model across the housing continuum.
- » Address measures to recruit, retain and retrain qualified frontline staff across the housing continuum.
- » Require homeless agencies to adopt a common, computer-based tracking system with funding and technical supports.
- » Adopt a client-focused service model in dealing with housing and homelessness that informs people of their entitlements, provides supports throughout the application process and focuses on access.

OUTCOME – AMENDED LEGISLATION TO SUPPORT CHANGE

- » Review and revise the *Municipal Government Act*, *School Act*, *Condominium Properties Act*, *Landlord Tenant Act*, *Residential Tenancies Act* and any other relevant acts and regulations to reflect and implement the recommendations outlined in this report.
- » Amend the *Municipal Government Act* and any relevant regulations to:
 - Expand the definition of municipal reserve to include community amenities (for example, seniors lodges, affordable housing or recreational facilities).
 - Enable the release of crown land, surplus provincial lands and surplus school sites that are suitable for affordable housing at a nominal cost where appropriate.
 - Allow for municipal incentives for affordable housing, for example: inclusionary zoning, density bonusing and preferential mill rates.
 - Allow municipalities and developers to negotiate flexibility in building standards.
 - Mandate a set percentage (20%) of affordable housing units be accessible or readily convertible to barrier-free.
 - Require school boards to justify taking a percentage of municipal reserves in new subdivisions.
- » Review the *Residential Tenancies Act* to strengthen renters' protections. Consider annual rent increases and stricter quality/standards for safe, adequate low-income housing.

CONCLUSION

The *Alberta Affordable Housing Task Force* accepted a difficult challenge within a short timeframe. But the urgency of the issue to Albertans and to the government ensured a focused and purposeful process and debate.

In the course of its work, the task force heard many innovative ideas that could not make it into this report. These ideas have been kept and catalogued and will be forwarded to Alberta Municipal Affairs and Housing for further review and consideration. Here are just some examples:

- » Establish specific construction crews trained and hired to work on affordable housing projects across the province for the next few years. Use under-utilized labour on construction projects for affordable housing, such as seasonal workers and students.
- » Establish day clubs for the homeless. Places where they can come and have a shower and a snack, and get some respite from the streets.
- » Develop several standard designs and plans for affordable and accessible housing units to save costs, ensure a standard of quality and allow municipalities to develop units more quickly.
- » Look at new housing forms for affordable housing – adapted container units, straw bale construction, new forms of modular and pre-fabricated homes.
- » Create an Affordable Housing Institute to develop and share best practices.
- » Encourage more Aboriginal leaders to become owners and managers of off-reserve rental housing for Band members.
- » Look at encouraging manufactured or modular homes for high-growth communities.

The task force acknowledges that the best solutions to homelessness require a broad look at the social factors driving poverty, homelessness and the social isolation of those with addictions, mental and other chronic illnesses, women escaping violence and people with disabilities. Issues of affordable housing affect all Albertans, particularly those on lower and modest incomes, newcomers, seniors and young families.

As the task force conducted its work and debated the issues, they reminded themselves that:

A safe, affordable home is essential to dignity, good health and a fair chance at a productive life.

An investment in affordable housing is an investment with a return in prosperity.

“It is unacceptable to have people living on the streets in a community with our wealth and resources.”

“We need a long-term strategy to address needs. It must embrace the idea that housing is a multi-generational investment.”

**APPENDIX 1 – ALBERTA AFFORDABLE HOUSING
TASK FORCE COMMUNITY MEETING SCHEDULE AND
SUMMARY OF PRESENTERS**

COMMUNITY

Grande Prairie

Date: February 16, 2007
Venue: The Grande Prairie Inn
Address: 11633 Clairmont Road

Fort McMurray

Date: February 20, 2007
Venue: Quality Hotel and Conference Centre
Address: 424 Gregoire Drive

Edmonton

Date: February 21, 2007
Venue: Ramada Hotel and Conference Centre
Address: 11834 Kingsway Avenue

Red Deer

Date: February 22, 2007
Venue: Red Deer Hotel and Conference Centre
Address: 4311-49th Avenue

Hinton

Date: February 23, 2007
Venue: Hinton Centre
Address: 965 Switzer Drive

Medicine Hat

Date: February 26, 2007
Venue: Medicine Hat Lodge
Address: 1051 Glen Drive SE

Lethbridge

Date: February 27, 2007
Venue: Lethbridge Hotel and Conference Centre
Address: 320 Scenic Drive

Calgary

Date: February 28, 2007
Venue: MacEwan Centre, Hall B
Address: University of Calgary

Elk Point

Date: March 2, 2007
Venue: Seniors Recreation Centre
Address: 5018-48th Street



SUMMARY OF PRESENTERS

COMMUNITY MEETING – GRANDE PRAIRIE

FEBRUARY 16, 2007

INVITED PRESENTERS

NAME	ORGANIZATION
Alderman Bill Given	City of Grande Prairie
Richard Harpe, Board Chair	Grande Spirit Foundation
Melodie Wilton, Manager	Elders Caring Shelter Society
Kelli Krauss, Rotary House Project Coordinator	Wapiti Community Dorm
Travis McNalley, Past President	Grande Prairie Residential Society
Richard Walisser, CAO	North Peace Housing Foundation
Kathy Sheppard, Community Member Phyllus Cash, Affordable Housing Coordinator	gpCHASE Community Housing Project
Karen Bilodeau, President Joel Park, Executive Officer	Grande Prairie Real Estate Board

PUBLIC SESSION SPEAKERS

AFTERNOON

NAME	ORGANIZATION
Kyle Havens	City resident
Brian Burkhart	Webster Community Church
Tasyana N. Garbanewski	Set Income Families – single parent/student at GPRC
Dalvin Napen	Canadian Mental Health Association ANWR
Lynn Bakewell Brenda Brochu	North Country Power of Work
Morgyn Gordey Ashlee Nicol-Kelly	Rotary House
Sherry Dennis	Seniors Outreach
Norm Dyck	Self
Angie Peters	Self
Michael Wellman	Home Share Society of Greater Grande Prairie
Andrew Merrill	City of Grande Prairie
Thelma Vincent	FAES and Fetal Alcohol Support Society
Melissa McGregor	Sunrise House
Kelli Krauss	Self
Katherine Fleming Mitra Zarei	gpCHASE//City of Grande Prairie FCSS

COMMUNITY MEETING – FORT McMURRAY

FEBRUARY 20, 2007

INVITED PRESENTERS

NAME	ORGANIZATION
Deputy Mayor Carolyn Slade	Regional Municipality of Wood Buffalo
Bryan Lutes	Wood Buffalo Housing & Development Corporation
Cyndi Deloyer, Director	Fort McMurray Family Crisis Centre Society
Colin Hartigan, Vice President	Fort McMurray Real Estate Board
Cliff Maron, President	Wood Buffalo UDI
Mike Allen, President	Fort McMurray Chamber of Commerce
Jacob Irving, Executive Director	Athabasca Regional Issues Working Group

PUBLIC SESSION SPEAKERS

AFTERNOON

NAME	ORGANIZATION
Beth Anthony	Justin Slade Youth Foundation
Keltie Paul	Self
Jeff Fitzner	Northern Lights Health Region
Paul Hartigan	Self
Jina Buru	Self (Chamber of Commerce)
Bea Deranger	Metis Local 1935

COMMUNITY MEETING – EDMONTON

FEBRUARY 21, 2007

INVITED PRESENTERS

NAME	ORGANIZATION
Mayor Stephen Mandel	City of Edmonton
Kent W. Fletcher	Capital Region Housing Corporation
Harvey Voogd Rob Martin, Executive Director	Edmonton Housing Trust Fund
Lorette Garrick	Edmonton Joint Committee on Housing
Raymond Swonek, CAO	Greater Edmonton Foundation
Bruce Reith, CEO	Hope Mission
Jan Reimer, Provincial Coordinator	Alberta Council of Women's Shelters
Cicillia Jones	Amisk Housing Association & Umisk Affordable Housing Society
Dennis Beesley, President	Alberta Public Housing Administrators' Association
Nancy M. Laing Goofers, CAO	Leduc Foundation
Peter Jackson, Past President	Canadian Homebuilders Association – Edmonton Region
Carolyn Pratt, President	Edmonton Real Estate Board

PUBLIC SESSION SPEAKERS

AFTERNOON

NAME	ORGANIZATION
Dr. Brian Staples	Self
Eric Lindstrom	Self
Bill Hofmeyer	Canadian Mental Health Association Edmonton Region
John G. Wright	Outreach Ministries Edmonton Presbytery (United Church)
Jodi Wacko	UDI Edmonton
Elizabeth Reid	Edmonton Inner City Housing Society
Don Mayne	Quality of Life Commission
Kathleen Quinn	PAAFE – Prostitution Awareness and Action Foundation of Edmonton
Dwayne H. Wladyka	Integra Housing Co-op Ltd.
Dawn Hodgins	Canadian Coalition of Experiential Women
Keith Harding	NACHA – Northern Alberta Co-op Association
Judy Lynn Archer	Women Building Futures – Edmonton
Don Gunderson	Self
Bernadette Thomas	Fibromyalgia/ME Societies/self
Mr. Marion J. Semaniuk	Self
Joy Moore	Self
Del Marlow	Elizabeth House, E4C
Jennifer Hunter	Boyle Street Community Services
Jim Gurnett	Edmonton Mennonite Centre for Newcomers

Appendix 1

Hugh MacDonald	MLA, Edmonton Gold Bar
Ellie Cook	Alberta Community Council on HIV (ACCH)
Mary Jane Buchanan	Centre for Health Promotion Studies – U of A
Cecil Garfin	AISH Network of Alberta Society
Janelle Morin, VP and David Cournoyer, VP	Students' Union, U of A
Bill Pidruchney	Self
Andre Viana	Self
Sid Brakema	Northgate Industries Ltd.
Alejandro Perez Jenia Faibusovitch Mark Zupan	Manasc Isaac Architects
Robin Broderick	Vero Forma
Cam McDonald	ECOHH
Amy McKinnon	Canadian Paraplegic Association – Alberta
Lawrence Landry, Resident	YMCA

PUBLIC SESSION SPEAKERS EVENING

NAME	ORGANIZATION
Bev Matthiessen	Alberta Committee of Citizens with Disabilities
Franco Savoia, Executive Director	YMCA
Darren Edwards, Program User	YMCA
Chris Andersen	Manufactured Housing Association
Thomas deJong	Self
Joe Drahanchuk	Self
Faye Dewar	NiGiNan Housing Venture
Ken Dayeson	Self
Darlene Olenek	Renters/self
Naomi Mackin	Old Strathcona Youth Society/Old Strathcona Area Community Council
Ken Thomas Roxanne Ulanicki	Artspace Housing Co-operative
Candina Hyndman	Self
Miro Rak	Strathcona Baptist
Shirley Lowe	Old Strathcona Business Association
Derek Sebrook	Self-Advocacy Federation
Chris Ford	Action for Healthy Communities
Chantelle Favell-Rubenstahl	Self
Mike Cardinal	MLA, Athabasca-Redwater representing Bigstone Band Indian Reservation – Treaty 8
Brian Toole	Self

INVITED PRESENTERS

NAME	ORGANIZATION
Mayor Morris Flewwelling	City of Red Deer
Geoffry Olson, CAO	Piper Creek Foundation
Donna Nye, CAO	Red Deer Housing Authority
Tricia Haggarty, Executive Director	Central Alberta Housing Society
Stan Schalk, Developer	P&S Investments
Maribeth Friesen	City of Red Deer Mayor's Task Force on Ending Homelessness
Brenda Gladue, Aboriginal Community Facilitator Sheralle Graystone	City of Red Deer Social Planning Department
Nancy Mackie, Executive Officer	Red Deer & District Real Estate Board
Marty Bruin, President	Canadian Home Builders Association – Central Alberta
Linda Boyd	City of Red Deer Social Planning Department
Holger Nierfeld, President of Students' Association	Red Deer College
Shirley Adams, Councillor	Town of Bowden

**PUBLIC SESSION SPEAKERS
AFTERNOON**

NAME	ORGANIZATION
Ina Nielsen	Camrose Affordable Housing Task Force City of Camrose Council
Colin Lowden	Independent Developer
Sam Denhaan	Mayors Task Force on Homelessness – Inn from the Cold
Lorraine Evans-Cross	MS Society
Barbara Wilkinson	Bethany Care Society
Elaine Taylor	Olds Task Force Affordable Housing
Danielle Klooster	The Champion's Centre Inc.
Barb Joslin	Self
Jennifer Vanderschaeghe	Central Alberta AIDS Network Society
Guy Pelletier	Urban Development Institute
Stacey Carmichael	Schizophrenia Society of Alberta Red Deer Housing Committee
Marlin Styner	Canadian Paraplegic Association – Alberta

COMMUNITY MEETING – HINTON

FEBRUARY 23, 2007

INVITED PRESENTERS

NAME	ORGANIZATION
Mayor Glenn Taylor	Town of Hinton
Mayor Trevor Thain, Town of Whitecourt	Grande Alberta Economic Region
Mari Sharpe, Vice President	West Central Alberta Real Estate Board
Tammy Porsnuk	Hinton Friendship Centre
Dennis Puchailo	Evergreens Foundation
Laurie Hughes, Executive Director	Hinton Housing

PUBLIC SESSION SPEAKERS

NAME	ORGANIZATION
Trudy McKinnon	Bridges
Andy Walker	Councilor
Keith Boschman	Gateway Community Church
Mary Olson	Town of Edson
Jackie Dube	Town of Grande Cache
Shannon Lamouche	Self
Lynda Jonson	Seniors I Care
John Heffernan	Self

COMMUNITY MEETING – MEDICINE HAT

FEBRUARY 26, 2007

INVITED PRESENTERS

NAME	ORGANIZATION
Mayor Garth Valley	City of Medicine Hat
Darren Rud, Coordinator, Homeless & Community Housing Department Peter Wilde, Co-Chair Ron Chaykowski, Co-Chair	Medicine Hat Community Housing Society
Ray Telford Karen Ann Bertamini, Councillor	Town of Drumheller
Captain Brad Oxford	Salvation Army Family Support Centre
Karen Charlton	The Canadian Housing and Renewal Association
Kim Swanson, Executive Director	Cypress View Foundation
Jace Anderson, Head of Marketing	Classic Construction

PUBLIC SESSION SPEAKERS

AFTERNOON

NAME	ORGANIZATION
Lois Bourassa, Executive Director Recent Past Chair	Canadian Mental Health Association & Crisis Assistance Network
Cathy Smith, Alderman	City of Medicine Hat
Courtney Scott-Donaldson, Program Coordinator	REDI Enterprises
Sharon Reid, Committee Member Philip Adiola, Committee Member	Homeless Sub-Committee – Brooks
Laurie Oulette	Self
Ken Schneider, Community Development Coordinator	Canadian Paraplegic Association – Alberta
Klaas Klooster, Executive Director	The Champion's Centre Inc.
Joy Yiannakovlias	Self
Joyce Macdonald	Self
Luke Day, Management	Medicon Developments
Jack Tewstey	Self
Judy Morris, CORE Volunteer	Self

COMMUNITY MEETING – LETHBRIDGE**FEBRUARY 27, 2007****INVITED PRESENTERS**

NAME	ORGANIZATION
Mayor Robert D. Tarleck	City of Lethbridge
Dr. Gary Bowie, Chair	Social Housing in Action
Jackie Blackwater, Executive Director	Treaty 7 Urban Indian Housing Authority
Representative	Lethbridge Real Estate Board
Reg Dawson	Lethbridge Housing Authority
Bill Martins, Chair	Green Acres Foundation
Bruce Galts	Canadian Home Builders Association – Lethbridge Region

PUBLIC SESSION SPEAKERS**AFTERNOON**

NAME	ORGANIZATION
Harvey Cenaiko	Alberta Alcohol and Drug Abuse Commission Board (Chair), MLA, Calgary-Buffalo
Jim Short	Aboriginal Housing in Action Society (Executive Director)
Don Anderberg	Town of Pincher Creek – Pincher Creek Foundation
Holly Felbel	Integrated Community Services Ltd.
Lyla Armas	Alberta Brain Injury Network (Service Coordinator)
Michael A. Hansen	Alberta Network for Mental Health – SSA Lethbridge Chapter (Advocate for Mentally Ill Consumers)
Bob Babki	Self
Chris Schamber	Quad Design
Ken Kissick	Streets Alive (Director)
Cammy Chamber	Self
Sharon Smerek	Self
Warren Dion	Thermal Mass Institution
Sue McDonald	United Church Minister (Vulcan)

COMMUNITY MEETING – CALGARY

FEBRUARY 28, 2007

INVITED PRESENTERS

NAME	ORGANIZATION
Mayor Dave Bronconnier	City of Calgary
Lauren Ingalls, CAO	Metropolitan Calgary Foundation
Dermot Baldwin, Executive Director	Calgary Drop In Centre Society
Cleo Prellwitz, Executive Director	Canmore Community Housing Corporation
Dr. Chris MacFarlane, Director Bev Longstaff, Chair Nancy Laird, Chair	United Way Sustained Poverty Reduction Initiative – Affordable Housing Committee
Gerry Baxter, Executive Director	Calgary Apartment Association
Wayne Stewart, President & CEO	Calgary Homeless Foundation
Trish Cameron, Chair	Community Action Committee
Ron Esch, Executive Vice President	Calgary Real Estate Board

PUBLIC SESSION SPEAKERS

AFTERNOON

NAME	ORGANIZATION
David McIlveen	Boardwalk Rental Communities (Director of Community Development)
Glenn Craig	Alberta Housing Coalition
Darlene Petrie	McMan Youth, Family & Community Services – Youth Sector – Community Action Committee
Catherine Mitchell	Self
Len Upton	Self
Linda E. Darwent	Self
Zdenek Kutac	Self
Ken Waddell	Ellmar Developments Ltd.
JB Groves	Self
Dorothy Dooley	Kirby Centre (Coordinator) and Masterpiece Inc.
Marianne Wilkat	Ogden House Seniors
Very Rev. Bill Phipps	Scarboro United Church
Don Rowley	Self
Oscar Fech	Self Employed
Judy Hansen	Glamorgan Christian Housing Society (Chair)
Ed McCulloch	AACD – Alberta Committee for Citizens with Disability (Member)
Gregory M. Lang	Self
Harry Chase	MLA, Calgary-Varsity
Steve Grande	EnCharis (Executive Director)
Nick Diklich	Mental Health Consumers (Self)
Barbara Ross	Inn from the Cold (President)
Kent Hehr	MS Society of Canada & Canadian Paraplegic Association – Alberta

Fred Robertson	National Anti-Poverty Organization (Past Vice-President/Member)
Lesley Washington, RSW	Self
David LeReceney	PAL Calgary (President)
Jennifer Banks	Self
Carmela Hutchison	Alberta Network for Mental Health (President) & DAWN Canada

PUBLIC SESSION SPEAKERS

EVENING

NAME	ORGANIZATION
Jeannette Waegemakers Schiff	Faculty of Social Work, U of C
Linda Zayac	Self
Michele Misurelli	Schizophrenia Society of Alberta (employee)
Denise Young Colleen Huston	Calgary Scope Society and The Disability Action Hall
Gunther Kwiring	Self
Grant Neufeld	CHAI: Calgary Housing Action Institute
Art Proctor	Self
Alan Wayne Turnbull	Self
David Wilson	Self
AJ Matsune	Self
David Turner	Self – Metis Calgary Family Services
Gordon Christie	Calgary & District Labour Council (executive secretary/organizer)
Debbi Hansen-Lange	Red Cross (youth advocate)
Vi Gerbrandt	Self
Paul Armstrong	Self
Bill Newman	Ogden House Seniors (volunteer)
Maria Reyes	Self
Wayne Ho	Self
Katheleen Roze	Self
Chamika Haththotuona	University of Calgary (student)
Christina Maes	Self

COMMUNITY MEETING – ELK POINT**MARCH 2, 2007****INVITED PRESENTERS**

NAME	ORGANIZATION
Yvette Houle	Dr. Margaret Savage Crisis Centre
Vic Stapleton, Chair	Bonnyville Affordable Housing Association
Jacquie Hakes, Board Member	Cold Lake Affordable Housing Society
Tracy Cowden, Regional Director	Portage College
Timothy Bear, CAO	St. Paul Abilities Network Society

PUBLIC SESSION SPEAKERS

NAME	ORGANIZATION
Don Conrad	Elk Point Realty
Sharon Smith	Elk Point Realty
Carol Maas	Self
Lesia Porcina	Self
Curtis Porcina	Self
Don Campbell	Mitchco Builders Ltd.
Mitch Welte	Mitchco Builders Ltd.
John Trefanenko	Town of St. Paul
Ron Boiserie	Town of Elk Point
Milton Zatorski	County of Thorhild
Margaret Medin	Self
Myron Goyan	Town of Elk Point

OTHER INVITED PRESENTERS

NAME	ORGANIZATION
Audrey Poitras	Metis Nation of Alberta
Alden Armstrong	Metis Settlements General Council
Bob Hawkesworth	Alberta Urban Municipalities Association (AUMA)
Trevor Gloyn	Canada Mortgage and Housing Corporation (CMHC)
Ashique Biswas	Housing and Homelessness Branch, Human Resources and Social Development Canada
Alfred Nikolai	Habitat for Humanity

REQUESTED WRITTEN SUBMISSIONS RECEIVED

ORGANIZATION	Date Received
Health Boards of Alberta	Feb 28/07
Alberta Alcohol & Drug Abuse Commission	Feb 27/07
Alberta Council of Women's Shelter	Feb 21/07
Canadian Home Builders Association – Alberta	Feb 21/07
Urban Development Institute of Alberta	Feb 22/07
FCSS Association of Alberta	Feb 23/07
Alberta Senior Citizens' Housing Association	Feb 28/07
Alberta Council of Aging	Mar 2/07
Canadian Mental Health Assoc – Alberta Division (Calgary)	Feb 26/07
Canadian Mental Health Assoc – Alberta Division (Edmonton)	Feb 27/07
Alberta Urban Municipalities Association	Feb 28/07
Horizon Housing Society	Feb 22/07
Inn from the Cold	Feb 28/07
Calgary Chamber of Commerce	Feb 28/07

APPENDIX 2 – ALBERTA AFFORDABLE HOUSING TASK FORCE METHODOLOGY AND TOP-LINE RESULTS

Alberta Affordable Housing Task Force

Methodology

Framework for Discussion

To provide a common base of understanding and consistent template by which submissions could be made, the task force created a Framework for Discussion that included an overview of the issues and a set of questions. The questions enabled Albertans to present recommendations for both short-term and longer-term solutions to deal with homelessness and the growing need for affordable housing across our province.

The framework was distributed in both electronic and paper formats to participants in the community meetings and through the Alberta Municipal Affairs website.

Data Collection

In total, the task force received over 1400 unique submissions from government, business, non-government organizations, special interest groups and individuals through the following mechanisms:

1. Community Meetings

The task force traveled to nine Alberta communities between February 16 and March 2, 2007 to meet with key stakeholder organizations and individual Albertans in open and by-invitation community meetings. The question template was used by recorders at the community meetings to collect and sort the ideas brought forward by presenters.

2. Other Meetings and Requested written Submissions

The task force met directly with key stakeholder organizations and requested written submissions of others.

3. Web Submissions

The question template was posted on the Alberta Municipal Affairs & Housing website for use by organizations, groups and individuals.

4. Email, fax, mail and drop-off

All submissions and requests for information/meetings received a response from secretariat staff and were filed chronologically by date received.

5. Telephone

Telephone comments were recorded by secretariat staff in an email, printed and filed chronologically by date received with other email submissions.

Data Coding

- All identified barriers, proposed solutions and related information was treated as data and used to create a detailed codebook that captured a range of ideas and concepts.
- Data from the community meetings was processed by a single reviewer, to ensure consistency. A code was assigned to each unique idea-datum under three main headings: Barriers/Issues, Solutions and Organizational Role. Within each main heading group, codes were then separated into relevant categories.
- Coding categories were collapsed, aggregated and revised, as necessary, for clarity and simplicity.

- The codebook was “closed” after the data from the first four community meetings was reviewed and coded (i.e. no new codes were added). However, the reviewer continued to refine definitions and descriptions of these codes, where indicated.
- The final codebook was then used to code all submissions received at the community meetings, online, and by email, fax, drop-off and telephone.

Data Entry

- Each submission was entered into a database (Microsoft Access) as a unique record, which included:
 - An alpha-numeric identifier
 - Respondent type (government, group/collective, program delivery, individual)
 - Name of organization/individual
 - Source of the submission (written submission, email, presentation)
 - Barriers/issues
 - Short-term solutions
 - Long-term solutions
 - Organizational/community role
 - Success (definition, outcomes, indicators)
 - Exemplars
- Comments related to “success” were entered as text.
- Exemplars, or direct quotes, from presentations and written submissions were entered as text and selected to capture the overall or most important idea(s) in the submission.

Data Analysis

- Data in the database could be viewed as a whole or sorted by community, urban/rural, type of presenter or source of submission.
- Numeric data (codes) could be aggregated and counted to assess the extent to which an idea (barrier/issue or solution) was raised by participants in the process.
- The submission from a specific organization or individual could be identified and accessed.

Barriers/Issues

Code	Description	# Mentions
701	Lack of available affordable housing units across the board – shelter to home ownership; housing supply is very tight; lack of funding for operating costs; lack of diversity and density in developments	244
702	High rental rates; unregulated increases; subsidies eaten by rent increases; conversion to condos	222
700	Market barriers (general)	191
900	Government (general)	140
703	High/increasing cost of home ownership – including starter homes; speculators driving up prices; municipal levies, fees and charges are passed on directly to new home buyers; low interest rates drive up demand	140
300	Disabilities/mental health/addictions	106
500	Other sub population groups (general)	101
605	Lack of social assistance for working poor and middle class; e.g. qualify for mortgage but no money for down payment; lack of support for single, working people	82
600	Socio-economic barriers (general)	81
601	Fixed incomes are a barrier to affordable housing (SFI, AISH, seniors allowances/benefits, student loans)	71
902	Limited funding for housing; no long-term commitment to funding for housing across the continuum; short-term grants not effective; lack of long-term planning at provincial and federal levels	68
301	Lack of accessible housing; lack of supportive services; barrier free units are full; lack of family units; young disabled families displaced by seniors (disabilities, mental health, addictions)	67
604	NIMBY; public opinion; discrimination; unfair use of rental/credit histories to discriminate	67
602	Increasing cost of living; housing allowances do not reflect actual cost of living; housing requires high percentage (e.g. 60%) of an average income	65
705	High/increasing construction costs; labour shortages; industry and housing compete for the same trades; home builders are working at capacity	64
803	Lack of subsidized housing units; long wait lists	61
906	Need to address root causes of homelessness; shelters just address the symptoms; need a social needs assessment; lack of social infrastructure in smaller communities	55
707	Lack of available land; high cost for land; developers hold available land; large land parcels	50
905	Municipal bylaws and zoning prevent/limit development, certain types of development (e.g. mobile home parks)	47
800	Shelters, transitional, subsidized housing (general)	42
706	Resistance to affordable housing; builders/developers resistant to building affordable housing (not profitable); community resistance to higher density, concerns about social problems	41
607	Gap between rich and poor is growing; gap between trades and service workers; gap in wages between non-profit and private sector wages – hard to attract and keep employees; vulnerable people being left behind	35
400	Seniors (general)	32
606	Lack of housing affects companies' ability to attract and keep workers – both skilled and unskilled (service industry); causing out-migration of new workers	30
801	Lack of emergency shelters, temporary housing; no shelters for homeless in smaller communities	30

Code	Description	# Mentions
903	Requirements of grant funding are restrictive; long approval time; administration vs. capital costs; must “prove” sustainability; project costs increase before grant is received	28
802	Lack of transitional housing; transitional housing used of long periods of time; transitional housing used by middle class instead of poor	26
603	High levels of in-migration, high transient population; non-residents compete with residents	25
904	Vague Municipal Government Act – municipalities are given enormous latitude to levy fees, place restrictions on buildings; increases cost of development	23
200	Youth (general)	21
709	Infrastructure costs; high municipal debt to fund infrastructure; govt supports growth of industry without plan/programs to increase infrastructure; industry does not contribute to infrastructure	21
908	Lack of regional integration, cooperation, planning to deal with housing issues	20
907	Government “silos”; provincial ministries not working together and taking responsibility; buck passing	20
503	Affordable housing “ghettos” are created; some populations are marginalized; want a mix of people – not silos	19
502	Immigrants experience challenges to housing security – language/cultural barriers, financial	18
804	Difficulty navigating programs/system; red tape and complex processes	17
501	Victims of abuse – need for transitional housing to leave shelter; lack of affordable shelter, childcare means some stay in abusive homes; includes youth leaving abusive homes	16
704	High/increasing utility costs factors into rental/home ownership cost	16
401	Lack of units that allow couples to live together; lack of accessible and affordable housing units for seniors	15
302	Discrimination by landlords (disabilities, mental health, addictions)	14
403	Growing seniors community; increasing as a proportion of the total population; putting demands on barrier free and other types of housing	12
100	Aboriginal (general)	11
402	Seniors prefer to stay in home community but housing stock is limited	11
201	High cost of student housing; above market rent in university area; transience of students – can’t fulfill 1-year lease	10
901	No clear definition of affordable housing (10% below market value is not “affordable”); need redefinition of affordability; able to compare across communities; term “affordable housing” propagates discrimination against those who need it	10
710	High cost of land development; housing foundations do not have capacity to develop properties; cost in small municipalities, hamlets	9
102	CMHC off-reserve housing program discontinued; no housing supports off reserve (Aboriginal)	9
712	People are moving to smaller communities to find affordable housing but communities are not resourced to support them; land but no transportation, childcare, etc.	8
713	Subsidies for first time buyers puts pressure on tight market; subsidizing builders to build affordable housing diverts resources from open market and drives up prices	7
708	Release of land; release of crown lands is not timely – drives up housing prices; land released in too large of parcels	7
101	No rental references when coming off reserve; lose federal funding off reserve (Aboriginal)	5
711	Confrontational attitude/atmosphere between municipalities and developers; offsite levies seen as input cost rather than contribution to community	1
	Expand shelters and transitional housing for people with addictions (AADAC).	

Appendix 2

Code	Description	# Mentions
	Underground economy is a serious problem.	
	Damage deposit required to even apply for an apartment.	
	Moving costs. For many families, the only transportation they have is transit.	
	Lack of affordable housing contributes to the exploitation of women through prostitution.	
	Unfair taxation regime against small landlords. Not allowed to build up capital for reinvestment.	
	Lack of tenant rights and protection in Alberta – particularly in the current market.	

Short- and Long-Term Solutions

Code	Description	Short-term/ unspecified Mentions	Long- term Mentions	Total Mentions
101	Increase shelter space; increase family-oriented shelters for emergency short-term accommodations; used closed schools, hospitals for emergency shelter; fully fund emergency shelter programs; support Housing First project	136	95	231
502	Implement rent controls/restrict or percentage cap on rental increases to a yearly maximum; most say “short term” only; restrict condo conversions	147	79	226
100	Housing Supply in general	114	111	225
200	Rental/ownership supports	110	100	210
201	Re-introduce renter’s assistance program; rent subsidies/supplements for people on fixed income and low income; supplements follow the person, rather than tied to the unit; private landlord rent supplement programs; fixed rate supplement programs	129	75	204
102	Increase rental units, affordable housing units (rents will come down if supply increases); affordability must be long-term	98	89	187
202	Assist first-time buyers with up-front costs; income-tested supplement program for home owners; Home Ownership Model to provide mortgage assistance; equity-based starter homes; forgivable second mortgages	100	64	164
500	Policy/legislation (general)	81	82	163
701	Incentives to developers/builders to build affordable housing; requirement that developers/builders set aside some units for affordable/subsidized housing – based on community needs; make rental housing profitable for developers/builders; incentives to builders/developers for accommodating hard to house	86	72	158
900	Other	72	65	137
509	Secondary suites - change bylaws, provide incentives, tax structures to encourage homeowners to rent out extra rooms or create basement suites; incentives for landlords who put rent XX% below market	92	43	135
402	Supportive services to prevent homelessness/falling back into homelessness; e.g. employment programs, treatment for addictions; transitional housing with supports; education program to teach healthy lifestyle routine, life skills, etc.; supports for Aboriginal people coming off reserve	74	54	128
510	Effective working partnerships – feds, province, municipalities, housing industry stakeholders; change redevelopment policies and planning act to give municipalities more input; enable partnerships, e.g. between health and housing providers; enable (policy) municipalities to provide affordable housing	53	41	94
400	Other supports	46	44	90
804	Municipalities review bylaws/regulations/fees/levies, to reduce red tape and encourage diversity, affordability; streamline processes between developers and municipalities; encourage densification and infill in urban areas and on unused municipal reserve lands	48	41	89

Appendix 2

Code	Description	Short-term/ unspecified Mentions	Long- term Mentions	Total Mentions
503	Long-term, flexible and sustainable funding, representative of community needs and size; 1% solution; invest 5% of industry value (i.e. \$2-4 billions); funding for administration, project planning; longer term government funding for capital projects; compensate for devaluation of dollars between grant reception and implementation; match federal dollars; match grant funding for municipal programs	56	32	88
800	Municipalities	40	45	85
108	Cooperative (non-equity) housing; provide start up funding to develop cooperative funding; invite Habitat for Humanity, other non-profits to build housing	49	35	84
300	Income supports	45	38	83
104	Increase transitional housing (e.g. rent under \$500); funding to upgrade buildings for transitional housing; fully fund transitional housing programs; full funding for second-stage housing; specialized housing programs for women leaving abusive relationships	45	38	83
519	Tax reform – reduce GST by another 1%; adjust rebate thresholds for new home buyers; apply GST rebate to home ownership; all firms in construction industry required to register for GST	32	39	71
700	Land development/developers/builders	34	33	67
109	Alternate housing – e.g. modular homes (not trailers/mobile homes); smaller housing units; container housing	42	23	65
404	Supported independent living; supports and health care services for people with disabilities; capital grants plus grant to cover full operating costs	33	29	62
401	Outreach workers to help people navigate the system – moving towards long-term housing; ombudsman/advocate to represent homeless/disadvantaged; social agencies have staff and resources to deal with affordable housing, hard to house	35	26	61
506	Infrastructure development; infrastructure fund to support development of infrastructure, e.g. services for new housing developments; long-term infrastructure planning	27	33	60
301	Index fixed incomes (AISH, pensions, etc.) to inflation; supplements for people on fixed income to match cost of living increases	30	25	55
508	Land Bank/Land Trust – for surplus property, provincial and municipal reserves; province provides land to accommodate growth; sell government lands to municipality for affordable housing; allocate land to public housing providers; continue to transfer socially owned housing to agencies	33	20	53
514	Review/revamp Municipal Government Act to streamline processes for developers, reduce ability to municipalities to charge levies, fees	23	25	48
512	Subsidize banks to provide lower interest rates to first time home buyers (e.g. 3% for years then 5% for next 5 years); create lending partnerships with private sector lending agencies	21	24	45
704	Provincial government take on the role of developer; support	24	20	44

Code	Description	Short-term/ unspecified Mentions	Long- term Mentions	Total Mentions
	install of services in new development lands			
112	Home sharing – let spare room in exchange for housework, supplemental income	28	15	43
305	Increase income support programs, SFI, AISH rates to provide adequate income; increase shelter allowance	32	10	42
604	Fund/support volunteer advisory boards that allocate funding; provide incentives to volunteers to attract people to volunteer in this area; greater financial investment in non-profit sector to help attract and retain staff	30	12	42
103	Increase self-contained seniors units, facilities to meet needs of aging population; barrier-free for people with disabilities – families and individuals	23	16	39
106	Increase long-term supportive housing units for people with mental illness, people living with HIV	17	21	38
302	Supplements for those paying more than X% (TBD) of income for housing	19	18	37
203	Assistance with damage deposits, utilities; emergency loan fund for damage deposit, utilities, etc.; voucher/subsidy for people who are evicted; partner with city to provide short term loans to renters	28	9	37
803	Community planning, Municipal Development Plans and Area Structure Place – ensure variety of housing styles and densities (e.g. allow higher densities);	18	19	37
903	Strategy to deal with labour shortage; better apprenticeship program; offsite construction (e.g. in a factory) – can prevent delays, rising costs of materials; create construction resource secretariats to organize underemployed HR to build houses; interdepartmental planning to “cool” economy slightly	22	14	36
703	Employ density bonusing to allow developers to have higher densities than normal; encourage densification of urban areas; legislate allowances for higher densities	16	20	36
603	Provide a continuum of services (first, second, third stage housing) and maintain support over the long-term	20	15	35
111	Create satellite community – mobile home park – around urban centre; mobile home park on de-zoned industrial lands; province purchase land with HTF	26	7	33
507	Federal regulations/programs: asset re-profiling; relax CMHC rules – e.g. inside of house must be finished before move in; defer capital gains tax to encourage reinvestment; encourage redevelopment of brown fields for residential; re-instate off-reserve housing program for Aboriginal home buyers	15	17	32
601	Simplify process to apply to build affordable housing; reduce developmental costs and fees; speed up grant application and approval process	22	10	32
513	Develop comprehensive strategic plan for affordable housing (provincial and/or federal); include ongoing annual resources to implement; monitor and evaluate progress; clearly define goals when setting benchmarks for success	15	17	32
607	Community based decision-making and delivery; local planning processes; local funding delivery processes (e.g.	22	8	30

Appendix 2

Code	Description	Short-term/ unspecified Mentions	Long- term Mentions	Total Mentions
	EJPCOH, EHTF); expertise is at community level			
105	Develop rooming houses with rent geared to income; group homes for singles and young mothers	14	13	27
518	Increase awareness of the housing problem and how it impacts everyone; build profile around the issue of affordable housing; educate public on benefits of affordable housing	14	12	26
707	Streamline public land acquisitions so that developable land is available in sufficient supply; encourage timely release of crown lands; transfer public landsto third party administrator for quick entry to market; release municipal reserve land, social care lots	12	13	25
906	Provincial home repair program for both renters and owners; review home repair grants to reflect current market; province match federal contribution to WRAP program – enable people to stay in their homes	18	7	25
505	Immediate funding to deal with urgent needs (i.e. homelessness); access to immediate funding when buildings/land become available	16	7	23
702	Requirement that a percentage of new housing be barrier free; set aside for seniors, people with disabilities	15	8	23
515	Establish formal mechanisms to coordinate departmental resources, re: homelessness and housing; establish Provincial Housing Commissioner – in charge of all matters related to affordable housing; dedicated housing ministry; expand RASL and Affordable Housing Initiative	12	8	20
706	Allow housing development corporations to become land trust administrators; transfer government resources (including land and buildings) and capital grants to non-profit developers and managers	12	8	20
908	Dedicated source of non-governmental funding resources (e.g. portion of real estate revenues – Edmonton to take 1% of housing sales for affordable housing); set up giving program (e.g. through United Way) to allow donations to affordable housing	9	11	20
107	Multi-use, high density residential towers on site of closed schools; convert office space, buildings into housing	12	8	20
909	Fund/undertake research into more efficient construction methods – reduce housing costs and provide exportable technology	10	9	19
905	Improve relationships between developers, builders and municipalities	11	7	18
801	Municipalities share infrastructure responsibilities with developers; enable municipalities to become land developers	9	9	18
406	Supports and supportive housing for Aboriginal people coming to urban centres from reserves; holistic and long-term supports	10	8	18
802	Encourage regional participation through tax sharing; regional approach to problem, tailored to community needs; e.g. consolidate industry/oil tax base with infrastructure needs	8	10	18
602	Simplify process to apply for affordable housing – one stop shopping; don't discriminate based on family size	10	7	17

Code	Description	Short-term/ unspecified Mentions	Long- term Mentions	Total Mentions
501	Establish a common definition of affordable housing and clearly defined benchmarks; affordability concept has changed; readjust income threshold for affordable housing units; formal guidelines, consistently applied in province that ensure a full mix of housing in every community	12	4	16
605	Change criteria for housing foundations – to keep seniors in their own homes	9	7	16
304	Reduce cost of utilities for home owners; government absorb cost of utilities in transitional and affordable housing	12	4	16
708	Enable a steady stream of supply to developers, home builders – define a terms of reference	5	10	15
504	Revise cost of living index and poverty line to reflect reality; annual review of minimum wage and income support; index rents and fixed incomes	8	7	15
705	Release small and medium parcels of land to developers – more manageable; allow developers to sell land to builders; support and work with investors who want to build housing in a community	6	8	14
901	Develop measures to assess current housing stock; maintain an accessible inventory of affordable housing stock; create city-wide housing registry	8	6	14
902	Affordable childcare – for people leaving abusive homes	6	8	14
600	Program administration/delivery (general)	8	5	13
403	Employers to assist with house down payment	6	7	13
204	Protect against unfair use of rental/credit histories to discriminate; use Human Rights Act	8	5	13
405	Provide transitional housing for immigrants with supports (e.g. job bank, language classes); develop innovative options for new immigrants to become home owners; newcomers residence to provide wrap around services	5	6	11
517	Establish Homeless Trust Funds for high growth communities; provincial Housing Trust	5	5	10
606	Reduced time to register a property at Land Titles; reduce cost and paperwork involved in property sales	5	2	7
907	Design competition to engage design community in finding new and innovative ideas for affordable housing and regional planning	2	5	7
511	Encourage RRSP use for home ownership; the limit of \$20,000 isn't enough – must adjust to reflect inflation	3	3	6
110	Develop a natural, self-sustaining real estate market rather than company housing; incentives to large employers to build housing in communities (rather than camps) – that will be available to other groups in the future	3	1	4
904	Adjust collective bargaining agreements for teachers, nurse, etc. to allow for higher cost of living in some communities	1	2	3
303	Raise minimum taxable income allowance	1	1	2
	Foster families who are homeless			1
	Levy on alcohol – money goes to shelters and addictions counseling			1
	Province run a parallel program to CMHC, specifically for			1

Appendix 2

Code	Description	Short-term/ unspecified Mentions	Long- term Mentions	Total Mentions
	Aboriginal people.			
	Encourage Aboriginal organizations to take control and become owners, managers of housing units.			1
	Have a regional housing authority representing individuals in each community.			1
	Establish an affordable housing institute to build on best practices.			1
	Allow greater flexibility in the creation of new subdivisions, e.g. number of streetlights, width of roads, etc.			1
	Have an auditing process for builder to deal with the underground economy			1
	Provide a \$5000 subsidy to renovate illegal suites and bring them up to code			1
	Life lease – have a fixed value life lease that is worth far less than the market value. Financing carried by the individual. Instead of a mortgage, person would make payments on their life lease.			1
	Full cost accounting. When making economic decisions, there are social and environmental costs.			1
	Municipal program to reduce or defer property taxes paid by low income earners on their homes; to be recovered at the time they sell the property.			1
	Create a province-wide awareness campaign on the benefits of secondary suite legalization.			1
	Focus on upgrading existing secondary suites			1
	Provide resourced support to incubate potential partnerships			1
	More dollars for student housing as a percentage of new university buildings			1
	Re-instate the seniors home owner grant (up to \$1000 for property tax)			1
	Re-examine the regulations that prevent AISH recipients from having a roommate			1
	Subsidies to help people move			1
	A program could be set-up to have low-income and homeless people do some of the work involved with the building of homes/apartments that they would be moving into. Training would need to be provided.			1
	Landlords help tenants find new accommodation; help with re-location costs when converting to condos.			1
	Give bus passes (not tickets) to those actively seeking housing			1
	A tool kit to provide a step by step how-to guide and real life examples of challenges that builders face and how to deal with them.			1
	Examine shelter, mat programs and other approaches that erode human dignity.			1
	Move well-built homes from small rural communities into urban centres.			1
	Put together a package of alternatives and allow the electorate to vote on them in a referendum.			1
	Implement strategies to assist immigrants to gain better paying			1

Code	Description	Short-term/ unspecified Mentions	Long- term Mentions	Total Mentions
	employment			
	Implement a windfall profit tax on companies that make huge profits (on shelter) – that is unfair and needs legislation to address.			1
	Set up regulated tent cities (for the homeless); provide water and sanitation, security.			1
	Set up Landlord and Tenant Advisory Boards in cities that do not currently have them (e.g. Calgary).			1
	Cap rental increases – not “rent control” – with increases limited to an annual increase based on the consumer price index.			1

Organizational/Community Role in Solutions

Code	Description	# Mentions
504	Provide voice for those in need of housing; identify needs; advocate for those who need housing, support; those in low and moderate income groups	93
504	Provide voice for those in need of housing; identify needs; advocate for those who need housing, support; those in low and moderate income groups	93
505	Work in partnerships with other organizations, industry and municipality; share information, forecasts	90
505	Work in partnerships with other organizations, industry and municipality; share information, forecasts	90
500	Other	81
502	Public awareness campaigns and education	65
305	Purchase land and build affordable rental housing; use existing reserve land for affordable housing	28
201	Community support (e.g. churches, service groups) for “bricks and mortar”	27
303	Manage/operate housing programs funded by province, other funders	27
300	Rental housing	26
503	Accountability in managing provincial funds; leveraging provincial/federal funds and resources	21
100	Homelessness	20
200	Transitional housing	20
506	Industry support to develop infrastructure	18
203	Manage/operate housing programs funded by province, other funders	15
501	Municipal/community planning/affordable housing plan; inventory of needs; long-term development plan; use municipal reserve (10%) more efficiently – e.g. 8% parks/schools, 1-2% for affordable housing; municipal investment of funds	15
102	Support for existing facilities	14
404	Purchase land and build affordable home ownership units	14
302	Provide barrier free, supportive housing units; units that allow couples and families to live together (seniors, disabled)	11
509	Administer land trusts; other administrative supports	10
101	Campaign/programs to provide emergency housing (e.g. in response to weather)	9
400	Home ownership	8
402	Municipal relief from levies, building permit fees, etc.; capped municipal tax increases for seniors in own home	7
202	Donating municipal reserve land to increase supply; municipality to purchase land for affordable housing	5
508	Developers construct roads in new developments	5
403	Home Ownership Model – market value units for people who can’t afford a mortgage; First Time Home Buyers Program (Edmonton) – using surplus school site lands for affordable housing	5
103	Emergency fund for immediate needs	4
507	Levies to fund infrastructure requirements, e.g. offsite levies in FM to fund collector roads not in the development	4
401	The Home Program and Realtor Foundation – realtors donate to fund to assist with down payment, other supports for the housing challenged; partner with community groups/housing corporations	4



ALBERTA AFFORDABLE HOUSING TASK FORCE

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Rents keep going up, pandemic or not



Ricardo Tranjan



Hannah Aldridge

February 9, 2021

News stories of rents for vacant apartments going down, coupled with anecdotes about landlords offering incentives to attract tenants, have fuelled the notion that renters have gained the upper hand in the rental market. Or, as [some](https://toronto.citynews.ca/video/2020/08/24/toronto-is-now-a-renters-market-thanks-to-covid-19/) (<https://toronto.citynews.ca/video/2020/08/24/toronto-is-now-a-renters-market-thanks-to-covid-19/>), say, that we now have a "renter's market."

That would have been nice. But recent data from the Canadian Mortgage and Housing Corporation (CMHC) shows the opposite: rents are going up, pandemic or not.

Between October 2019 and October 2020, average rents for a two-bedroom unit in Canada went up by 3.5%. The inflation rate for the same period was [0.7%](https://www150.statcan.gc.ca/n1/daily-quotidien/201118/dq201118a-eng.htm) (<https://www150.statcan.gc.ca/n1/daily-quotidien/201118/dq201118a-eng.htm>), or five times lower.

These rent increases varied by province. Ontario (4.8%) witnessed the largest increase in average rents, Quebec (3.3%) was close to the national average, British Columbia (2.1%) was at the lower end, and Alberta (0.1%) saw the smallest increase of all provinces. (See table below for details.)

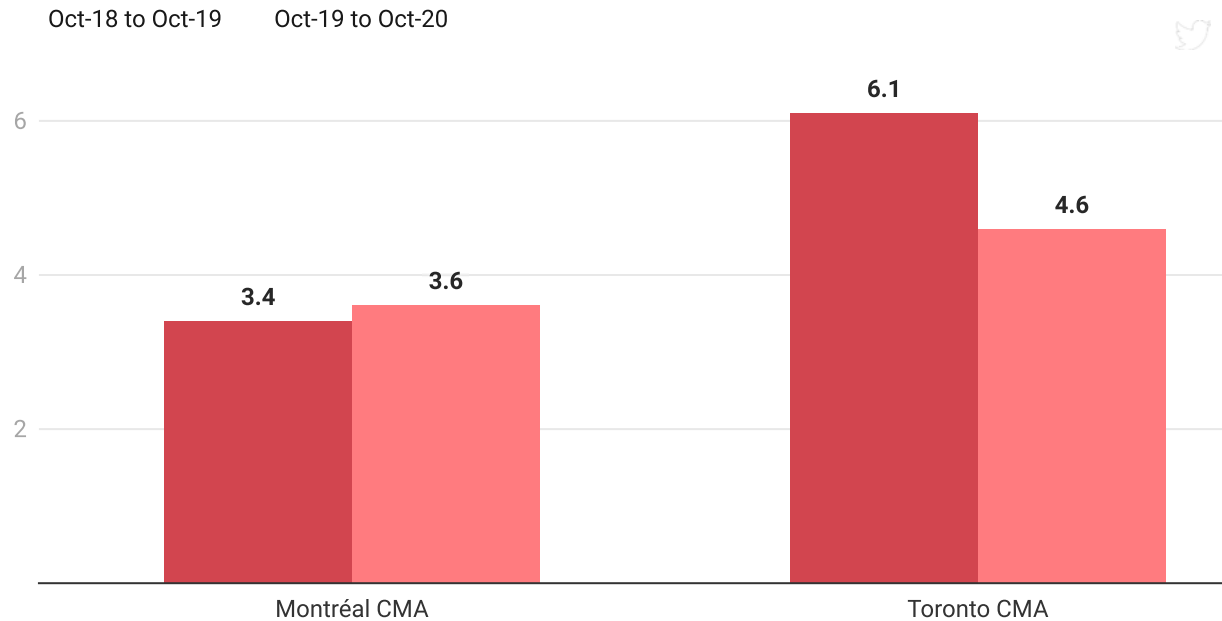
Looking at the country's largest cities, Toronto, Montreal, and Vancouver, it's hard to find any sign of improvements for tenants. The CMHC [report](https://www.cmhc-schl.gc.ca/en/data-and-research/publications-and-reports/rental-market-reports-major-centres) (<https://www.cmhc-schl.gc.ca/en/data-and-research/publications-and-reports/rental-market-reports-major-centres>) tells a similar story for the three cities, which can be summarized in four points:

1. Rents continued to increase in 2020. Between October 2019 and 2020, rents for two-bedroom units went up by 4.6% in Toronto, 3.6% in Montreal, and 1.5% in Vancouver. For Toronto and Vancouver, rents went up by less than in the preceding 12 months, but they unequivocally increased.

Annual percentage rent increase, private row (townhouse) and apartment

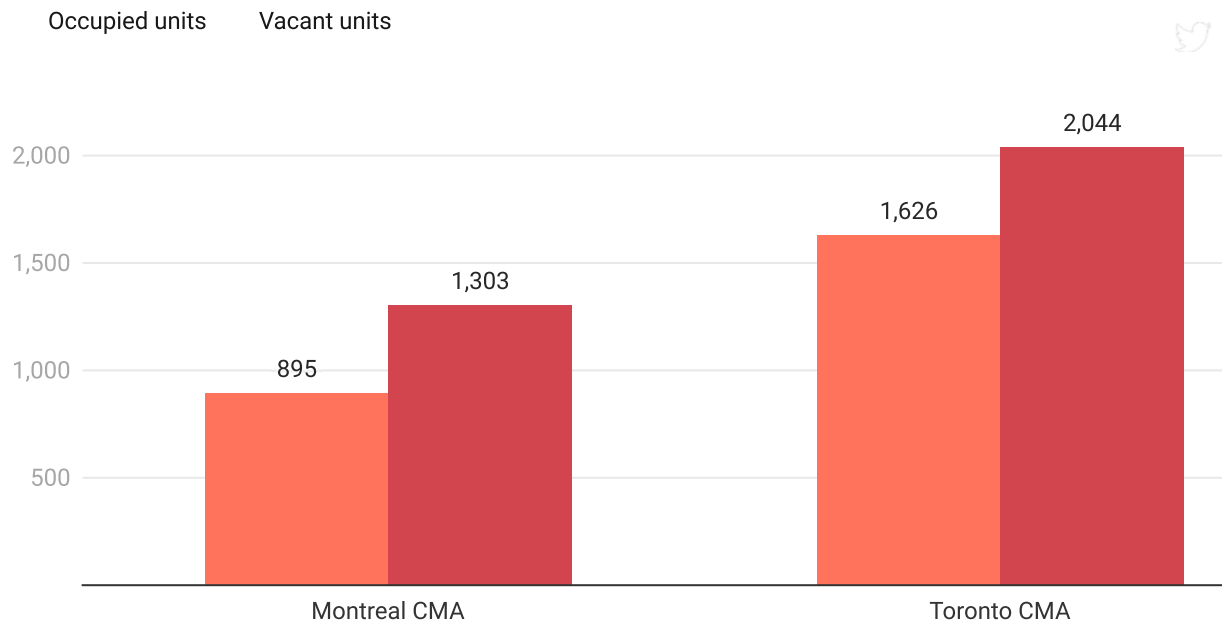
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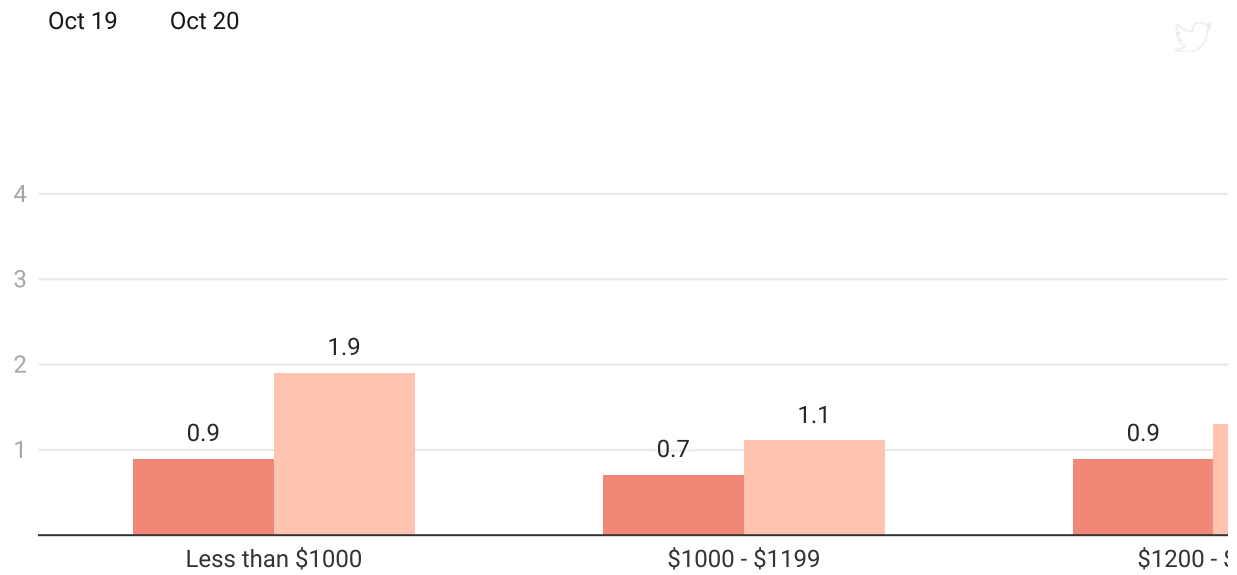
2. Rents faced by prospective tenants are considerably higher than those of existing tenants. On average, tenants moving between two-bedroom units will pay more: 31% more in Montreal, 20% more in Toronto, and 18% more in Vancouver. (The increases for one-bedroom units are similar.)

Average occupied and vacant rents, private row (townhouse) and apartment in \$ CAD



3. Vacancy rates are up but primarily at the expensive end of the market. In Toronto, as the chart below shows, vacancy rates remained below 2% for units going for less than \$1,400 per month. In Montreal, the vacancy rate for units priced less than \$1,000 was at or below 2%. In Vancouver, the rate was 2.7% for units between \$1,500 and \$1,750, but below 2% for all units below \$1,500. While higher vacancy rates arguably increase choice and bargaining power for prospective tenants, the trends we are seeing will primarily benefit tenants with higher incomes.

Vacancy rate (percentage) by rent range, private apartments only



Source: CMHC. 2021. Rental Market Survey Data Tables; calculations by the authors. • [Get the data](#) • Created with [Datawrapper](#)

4. Landlords are unwilling to lower asking rents. The CMHC [report](https://www.cmhc-schl.gc.ca/en/data-and-research/publications-and-reports/rental-market-reports-major-centres) (<https://www.cmhc-schl.gc.ca/en/data-and-research/publications-and-reports/rental-market-reports-major-centres>) concluded that landlords are responding to the higher vacancy rates by offering incentives to prospective tenants (e.g., one month free or gift cards) or holding units vacant, rather than lowering the rent.

The report authors noted that in Toronto the rising rents alongside a higher vacancy rate "suggests that landlords may be less willing to offer lower rents and instead offer alternative incentives (at the risk of holding vacant units)." In Greater Montreal, the authors conjectured that large corporate landlords and investment firms might absorb higher vacancy rates and continue to insist on rent increases.

Taken together, these four points mean that high-income tenants may be spoiled for choice, but they are still likely to pay more than they did in their previous home. Tenants on a lower income are better off staying put. If they are lucky, their province has rent increase guidelines, and their landlords won't be able to circumvent it using the [above-guideline increase application](https://www.torontotenants.org/above_guideline_rent_increases) (https://www.torontotenants.org/above_guideline_rent_increases) loophole.

So, where is the idea of a “renter’s market” coming from?

The most likely explanation is that some observers are reading too much into data from Rentals.ca, a website for landlords advertising rental accommodation. In addition to providing a platform for posting and searching vacant units, the website publishes monthly reports (<https://rentals.ca/national-rent-report>) on rent trends. Recent reports show average asking rents are lower than a year ago. But as the author of these reports explains, Rentals.ca data is much different from CMHC data.

CMHC works with a much larger sample that includes vacant and occupied units across towns and cities with 10,000 residents or more; its reports and data tables provide a comprehensive picture of Canada's rental market trends. Rentals.ca collects data only on the vacant units posted on its platform; its reports provide useful and timely insights into rent trends, but they should be read with caution as the data doesn't capture occupied units and includes only a partial and not necessarily representative sample of vacant units.

Even if asked rents for vacant units have gone down, as the Rentals.ca reports would suggest, the fulsome picture provided by CHMC data is that tenants are paying more rent, and that's true for both tenants who stayed put and those moving between similar units.

Most concerningly, the market incentive to push tenants out – due to arrears accumulated during lockdowns, via renovictions, or any other reason—is still very much present. In the absence of rent controls on vacant units, there is money to be made from evictions, and some landlords will cash that money, pandemic or not.

Table 1. Percentage change of average rent for two-bedroom units from October 2019 to October 2020.*

Centre	Percentage change
Newfoundland & Labrador 10,000+	1.4
St. John's CMA	1.6

Prince Edward Island 10,000+	3.2
Charlottetown CA	2.7
Nova Scotia 10,000+	4.0
Halifax CMA	4.2
New Brunswick 10,000+	3.7
Moncton CMA	4.7
Saint John CMA	3.3
Québec 10,000+	3.3
Saguenay CMA	1.9
Montréal CMA	3.6
Ottawa-Gatineau CMA (Qué. part)	2.2
Québec CMA	2.7
Sherbrooke CMA	3.1
Trois-Rivières CMA	2.0
Ontario 10,000+	4.8
Barrie CMA	8.0
Belleville CMA	6.3
Brantford CMA	5.3

Guelph CMA	4.8
Hamilton CMA	5.0
Kingston CMA	2.5
Kitchener-Cambridge-Waterloo CMA	4.0
London CMA	6.8
St. Catharines-Niagara CMA	6.1
Oshawa CMA	4.6
Ottawa-Gatineau CMA (Ont. part)	5.2
Peterborough CMA	5.3
Greater Sudbury/Grand Sudbury CMA	**
Thunder Bay CMA	2.0
Toronto CMA	4.5
Windsor CMA	8.7
Manitoba 10,000+	2.9
Winnipeg CMA	3.0
Saskatchewan 10,000+	1.1
Regina CMA	0.8
Saskatoon CMA	2.0

Alberta 10,000+	0.1
Calgary CMA	++
Edmonton CMA	++
Lethbridge CMA	2.6
British Columbia 10,000+	2.1
Abbotsford-Mission CMA	1.8
Kelowna CMA	3.1
Vancouver CMA	1.5
Victoria CMA	3.3
Canada 10,000+	3.5
Canada CMAs	3.6

*Existing structures only.

Source: CMHC. 2021. Rental Market Survey Data Tables (<https://www.cmhc-schl.gc.ca/en/data-and-research/data-tables/rental-market-report-data-tables>).

Fact Check: Affordable rental housing isn't affordable

As always, the devil is in the details.

Ricardo Tranjan

August 25, 2021

The term “affordable rental housing” is used left and right in Canadian politics. So far in this federal election, housing appears as a central theme, so we are likely to hear the term a lot. But what does affordable housing even mean? And is it truly affordable?

Affordable housing usually refers to rental units built with financial support from governments. In exchange for the support, housing developers have to commit to charge lower rent for a share of new units.

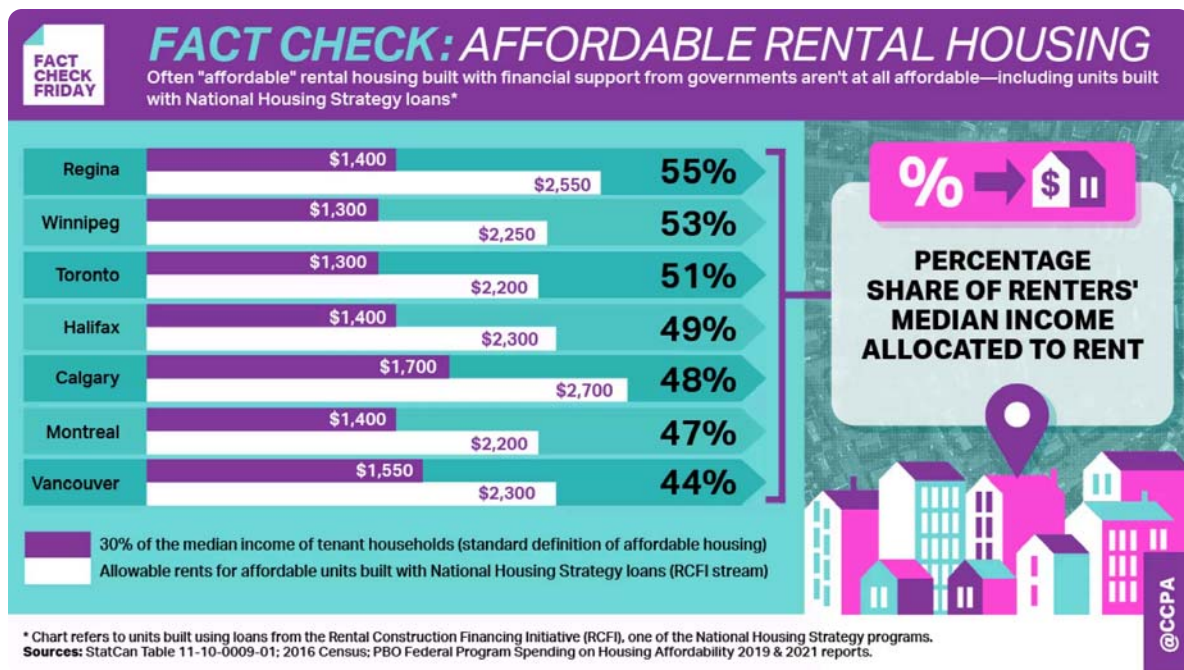
Sounds good, right? But as always, the devil is in the details.

The share of new units designated as affordable in housing developments is usually small, and rarely above 20%. This is why many housing announcements sound fairly unambitious, given the size of the problem, with a lot of political fanfare around a few hundred (<https://www.cbc.ca/news/canada/toronto/affordable-housing-announcement-1.6122355>), sometimes even a few dozen (<https://globalnews.ca/news/8063267/affordable-housing-saskatoon/>) new units. Research shows that Canada is losing affordable rental housing (<https://www.focus-consult.com/why-canada-needs-a-non-market-rental-acquisition-strategy/>) units faster than it is creating them.

The other catch is how long units remain “affordable.” To receive support from governments, developers agree to keep rents for the affordable units below market rates for a set period of time, usually 10 to 20 years, depending on the housing initiative. After that period, landlords can charge whatever they want for units built with government subsidies.

Finally, the affordability thresholds used in agreements with housing developers are, more often than not, awfully inadequate. This frequently results in rent levels that are above what low- and moderate-income tenant households can actually afford.

Here's an example: Affordable rental units built with the support of loans from the federal National Housing Strategy's (NHS) Rental Construction Financing Initiative (RCFI) can rent for more than 30% of the median income of tenants—the standard definition of affordable shelter costs. How so? The affordability criteria for these loans has been set at 30% of the median income of all households in a particular area, including all homeowner households whose income are, on average, much higher than that of tenants. As a result, the government is helping finance “affordable rents” that cost between 44% and 55% of tenant households' incomes in the largest cities in the country. That's not affordable.



Other housing initiatives use 20% below average-market rent as the affordability threshold.

In cities such as Toronto and Vancouver, that adds up to more than what many tenants can afford to pay. In 2019, for example, this threshold put rents in Toronto \$150 above the standard affordability threshold (30% of household income). Some programs use median market rent, instead of average, which improves the criteria slightly. In either case, it's not affordable.

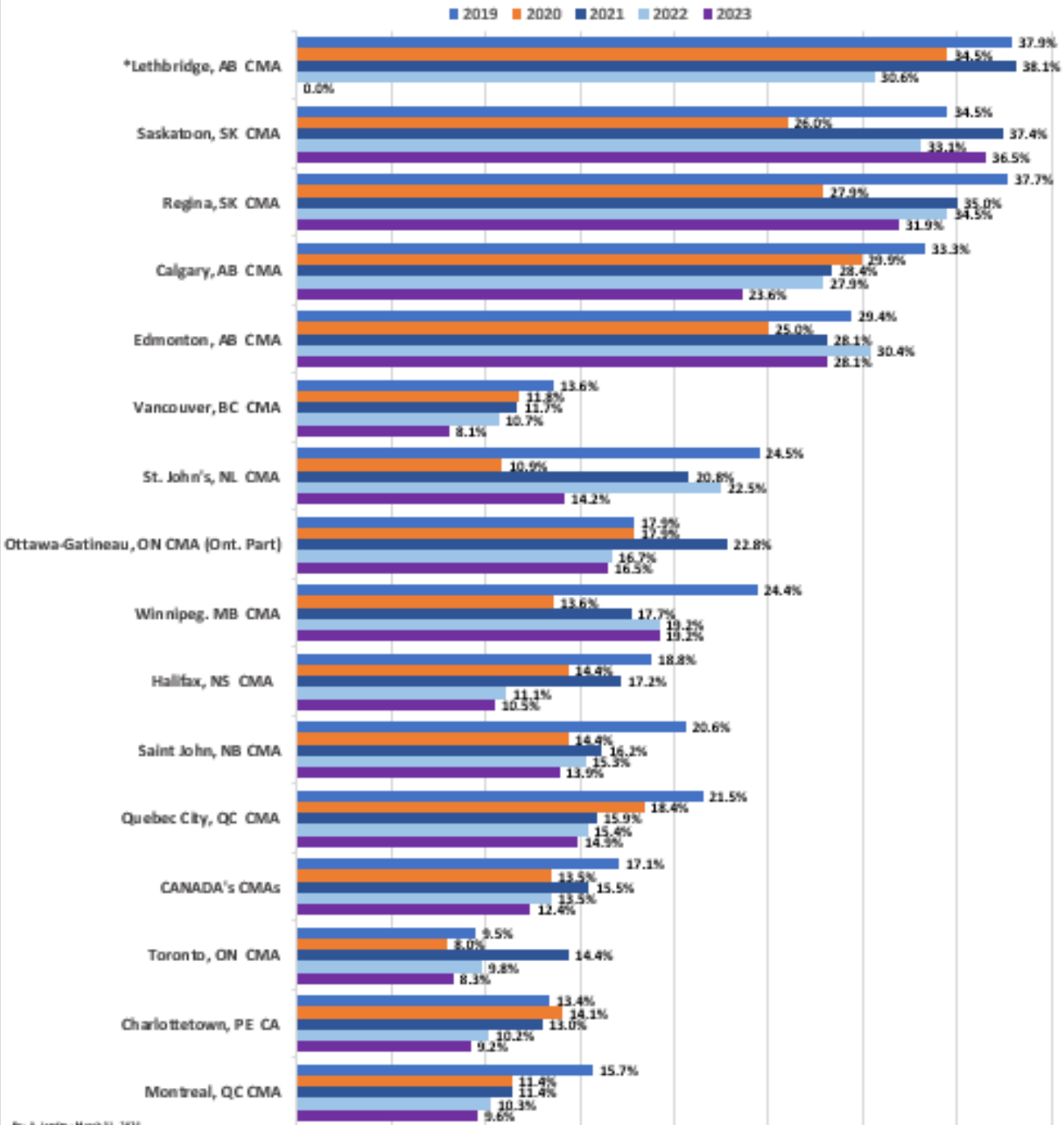
The other problem with the 20% below average- or median-market rent threshold—and this one applies to most cities—is that rents often rise faster than inflation and wages, so that 20% “discount” can be eaten up in less than a decade. Affordable housing in 2011 may not be in 2021.

Affordability definitions tied to out-of-control rents are fundamentally flawed. Put it this way: if the car ahead of you is driving at 200 kilometres an hour, driving a bit slower than them is not enough to keep you within the speed limit.

For all these reasons, the term “affordable housing” should be challenged whenever presented in vague terms, during this election, and any time after it.

To truly lower rents and make housing affordable for all, we ought to take profit out of the equation by investing in public and non-profit housing.

STOP THE DISTURBINGLY HIGH APARTMENT TURNOVER RATES - even during COVID-19 - in cities with little rent protection, including in Regina, Saskatoon, Lethbridge, Calgary and Edmonton
CMHC Rental Market Survey Data Tables - CANADA - Table 1.0 - Edition 2023



*Lethbridge, AB CMA – DATA suppressed in source for 2023

Source: [CMHC Rental Market Survey Data Tables - CANADA - Table 1.0 Rental Market Indicators, Privately Initiated Apartment Structures of Three Units and Over, Provinces and Major Centres](#)

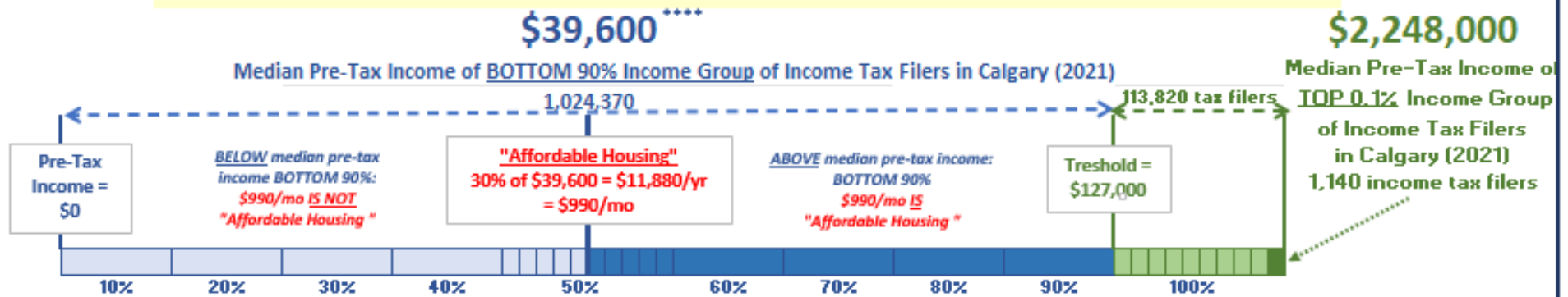
Private Apartment Turnover Major Centre	2023	2022	2021	2020	2019
Montreal, QC CMA	9.6%	10.3%	11.4%	11.4%	15.7%
Charlottetown, PE CA	9.2%	10.2%	13.0%	14.1%	13.4%
Toronto, ON CMA	8.3%	9.8%	14.4%	8.0%	9.5%
CANADA's CMAs	12.4%	13.5%	15.5%	13.5%	17.1%
Quebec City, QC CMA	14.9%	15.4%	15.9%	18.4%	21.5%
Saint John, NB CMA	13.9%	15.3%	16.2%	14.4%	20.6%
Halifax, NS CMA	10.5%	11.1%	17.2%	14.4%	18.8%
Winnipeg, MB CMA	19.2%	19.2%	17.7%	13.6%	24.4%
Ottawa-Gatineau, ON CMA (Ont. Part)	16.5%	16.7%	22.8%	17.9%	17.9%
St. John's, NL CMA	14.2%	22.5%	20.8%	10.9%	24.5%
Vancouver, BC CMA	8.1%	10.7%	11.7%	11.8%	13.6%
Edmonton, AB CMA	28.1%	30.4%	28.1%	25.0%	29.4%
Calgary, AB CMA	23.6%	27.9%	28.4%	29.9%	33.3%
Regina, SK CMA	31.9%	34.5%	35.0%	27.9%	37.7%
Saskatoon, SK CMA	36.5%	33.1%	37.4%	26.0%	34.5%
*Lethbridge, AB CMA	0.0%	30.6%	38.1%	34.5%	37.9%

*Lethbridge, AB CMA – DATA suppressed in source for 2023

Source: [CMHC Rental Market Survey Data Tables - CANADA - Table 1.0 Rental Market Indicators, Privately Initiated Apartment Structures of Three Units and Over, Provinces and Major Centres](#)

Calgary's Large Income Inequality - Impact on Affordable Housing (2021)

In Calgary, as per Census 2021 42% of households with incomes below \$100,000 are overspending on housing (spending 30% or more of their income on shelter); only 3.1% of households earning \$100,000+ are overspending*. In Calgary, as per the HART Housing Needs Assessment Resource Tool (Calgary Census Division, Census 2021) there is a deficit of approximately 50,000 households needing shelter costing \$1,263 or LESS per month. The TOP 3 priority groups in CORE housing are: Single mother led households (20.92%); Household head over 85 (18.53%); and Household head under 25 years (16.19%). In Calgary the top industry is the retail trade (11%) followed by health care and social assistance (11%). Indigenous, persons with disabilities, lone-parent families, recent immigrants, seniors, singles and youth have a higher rate of need for Affordable Housing.***



[Statistics Canada: Table 11-10-0056-01 High income tax filers in Canada specific geographic area thresholds](#)

[*Census 2021 Table 98-10-0252-01 Shelter-cost-to-income ratio by tenure: Canada, provinces and territories, census metropolitan areas and census agglomerations](#)

[HART Housing Needs Assessment Tool Calgary - Census Division, Census 2021.](#)

Also: [Housing in Canada's Big Cities](#) - The City of Calgary Affordable Housing Division - May 2018: "Income inequality is more exaggerated in Calgary than in any other city, and has increased at four times the national average growth rate since 1982..." (Cities studied were: Edmonton, Mississauga, Montreal, Ottawa, Toronto, Winnipeg, Vancouver). pp. 5, 7, 34-35.

**[Housing Needs Assessment 2018](#) - The City of Calgary, pp. 2, 9, 17. [Housing in Canada's Big Cities](#) - The City of Calgary Affordable Housing Division - May 2018, pp. 5, 7.

**** **BOTTOM 90%** of Income Group of income Tax Filers in Calgary: **median** pre-tax income of \$39,600; **average** pre-tax income of \$45,500; for 1,024,370 income tax filers. **TOP 10%:** **median** = \$177,100; **average** = \$259,300; for 113,820 income tax filers. **TOP 0.1%:** **median** pre-tax income of \$2,248,000 **average** pre-tax income of \$3,234,200; for 1,140 income tax filers. **ALL** income tax filers (2021) in Calgary: **median** pre-tax income of \$44,600 with "Affordable Housing" = \$1,115 per month; **average** pre-tax income of ALL income tax filers (2021) in Calgary: \$66,800 with "Affordable Housing" = \$1,670 per month; for 1,138,190 income tax filers.

Prepared by: Anne Landry - December 28, 2023. EMAIL: landryam@shaw.ca.

Sources: [Statistics Canada. Table 11-10-0056-01 High income tax filers in Canada, specific geographic area thresholds - CUSTOM TABLE, 2017 to 2021](#) & [CUSTOM TABLE 2, 2017 to 2021](#)

Calgary - CENSUS 2021 – Housing Affordability

Source: CENSUS 2021 - [Table 98-10-0252-01 Shelter-cost-to-income ratio by tenure: Canada, provinces and territories, census metropolitan areas and census agglomerations](#)

The following CHARTS reveal the need to plan affordable housing by household income groups and by renter VS owner. See that as per Census 2021 that the **6,770** households in the lowest income bracket – **Under \$10,000** – spent more than 30% on shelter – **70.4%** of the income grouping. The median household income of renters - **\$66,000** - is LESS than the median household income of owners - **\$119,000**. The median income of households who spent 30% or more on shelter costs is **\$34,000** for renters and **\$56,000** for owners. **34.2%** of renters and **27.5%** of owners spent more than **30%** on shelter. **29.5%** of households were renters; **70.5%** were owners. As per the CUMULATIVE CHART for Calgary, **42% of households earning \$99,999 or LESS (117,275) spent more than 30% on shelter.**

Calgary Census 2021 VS Census 2016 – in BRIEF

Apparently, little progress has been made on ensuring affordability of housing in Calgary since Census 2016:

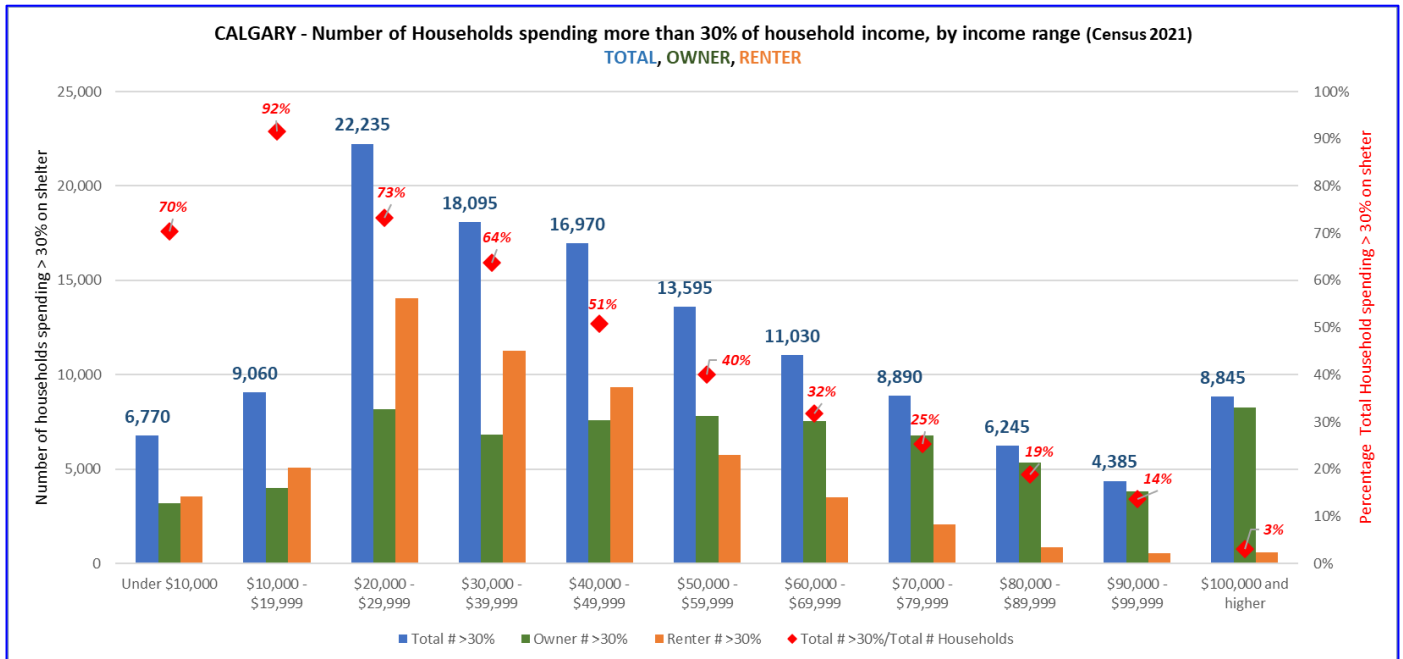
- **Approximately 1/3 of renters STILL find shelter unaffordable: 34.2% (56,695) in 2021 VS 36.2% (50,810) in 2016.**
- **17.5% of home owners (69,415) in 2021 found shelter to be unaffordable VS 16.3% (61,950) in 2016.**
- **Number of households spending > 30% on shelter: 126,120 (22% - 2021) VS 112,770 (22% - 2016).**
- **Number of households earning \$99,999 or less spending > 30% on shelter = 117, 275 (42%) in 2021 VS 107,655 (41%) in 2016.**
- **Renters in Calgary increased at more than three times the rate as owners from Census 2016 to Census 2021: 18.3% increase for renter households VS 4.6% increase for owner households.**

Households	Census 2021	Census 2016	Change	% Change
Renters	166,020	140,355	25,665	18.3%
Owners	396,770	379,220	17,550	4.6%
TOTAL	562,790	519,575	43,215	8.3%

How do ALL levels of government plan to address this given that HOUSING is a HUMAN RIGHT as per the [National Housing Strategy Act, 2019](#) and international law and given that Both the [United Nations](#) and [Canada](#) have sustainable development goals to ensure access to safe, [adequate](#) and affordable housing and basic services by 2030?

See the [standard CMHC definition of affordable housing](#):

“In Canada, housing is considered “affordable” if it costs less than 30% of a household’s before-tax income. Many people think the term “affordable housing” refers only to rental housing that is subsidized by the government. In reality, it’s a very broad term that can include housing provided by the private, public and non-profit sectors. It also includes all forms of housing tenure : rental, ownership and co-operative ownership, as well as temporary and permanent housing.”

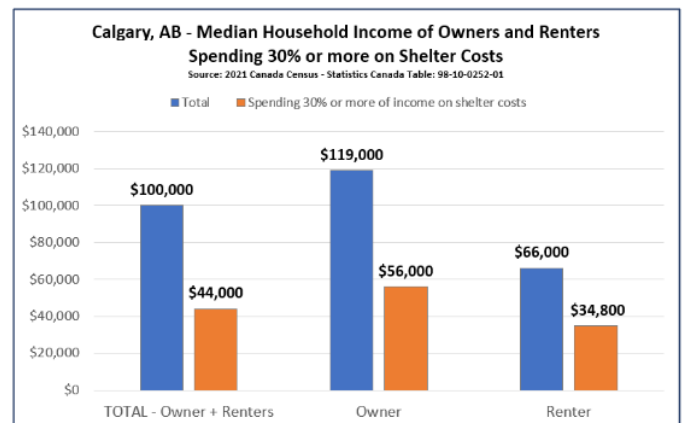
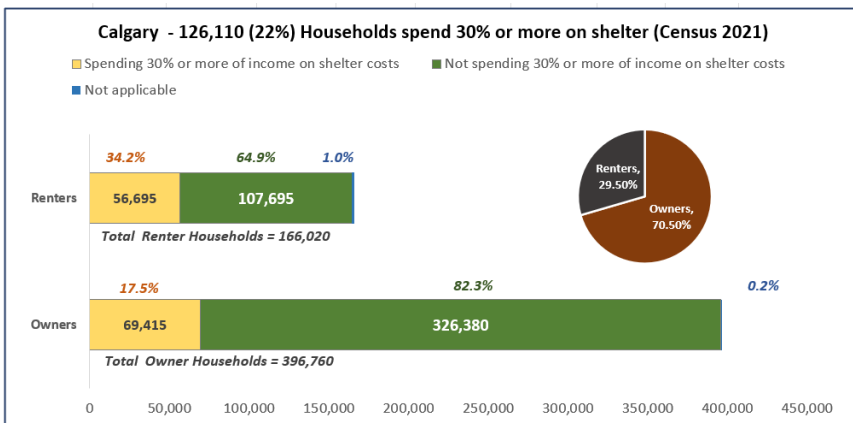


Calgary - CENSUS 2021 – Housing Affordability

Source: CENSUS 2021 - [Table 98-10-0252-01 Shelter-cost-to-income ratio by tenure: Canada, provinces and territories, census metropolitan areas and census agglomerations](#)

In CALGARY: Number & Percentage of Households spending > 30% on shelter by Household Income Range (Census 2021)									
TOTAL, OWNER, RENTER Households									
Household income range	TOTAL Households spending > 30% on shelter		OWNER Households		RENTER Households		TOTAL		
	Number spending >30% on shelter	Percentage number of households spending >30%/Total # Households	Number spending >30% on shelter	Percentage Owner number spending >30%/Owner # Households	Number spending >30% on shelter	Percentage Renter number spending >30%/Renter # Households	Number of Households	Number of Owner Households	Number of Renter Households
Under \$10,000	6,770	70.4%	3,215	76.6%	3,560	65.6%	9,620	4,195	5,425
\$10,000 - \$19,999	9,060	91.6%	3,995	94.4%	5,105	90.1%	9,890	4,230	5,665
\$20,000 - \$29,999	22,235	73.2%	8,185	65.6%	14,045	78.4%	30,380	12,470	17,905
\$30,000 - \$39,999	18,095	63.7%	6,820	49.7%	11,270	76.6%	28,420	13,710	14,715
\$40,000 - \$49,999	16,970	50.9%	7,615	43.4%	9,355	59.3%	33,340	17,550	15,785
\$50,000 - \$59,999	13,595	40.1%	7,820	41.7%	5,770	38.2%	33,870	18,760	15,110
\$60,000 - \$69,999	11,030	31.8%	7,540	36.6%	3,495	24.8%	34,720	20,605	14,115
\$70,000 - \$79,999	8,890	25.4%	6,795	31.2%	2,090	15.9%	34,970	21,790	13,175
\$80,000 - \$89,999	6,245	18.9%	5,350	24.6%	890	7.9%	33,005	21,735	11,270
\$90,000 - \$99,999	4,385	13.6%	3,845	17.1%	535	5.5%	32,195	22,445	9,755
\$100,000 and over	8,845	3.1%	8,270	3.5%	580	1.3%	282,375	239,280	43,100
TOTAL	126,120	22.4%	69,450	17.5%	56,695	34.1%	562,785	396,770	166,020

CENSUS 2021 in Calgary - number of households spending > 30% on shelter by CUMULATIVE household income			
42% of households under \$99,999 are spending > 30% on shelter			
CUMULATIVE household income range	Number of Households spending >30% on shelter	Percentage of households spending >30% on shelter	Cumulative number of Total Households
Under \$10,000	6,770	70%	9,620
\$19,999 and under	15,830	81%	19,510
\$29,999 and under	38,065	76%	49,890
\$39,999 and under	56,160	72%	78,310
\$49,999 and under	73,130	65%	111,650
\$59,999 and under	86,725	60%	145,520
\$69,999 and under	97,755	54%	180,240
\$79,999 and under	106,645	50%	215,210
\$89,999 and under	112,890	45%	248,215
\$99,999 and under	117,275	42%	280,410
\$100,000 and over	126,120	22%	562,785



Renters and Owners spending more than 30% of Household Income on Shelter – Canada, Alberta, Calgary (Census 2021)

Source: Statistics Canada - CENSUS 2021 - Table 98-10-0252-01 Shelter-cost-to-income ratio by tenure: Canada, provinces and territories, census metropolitan areas and census agglomerations

	Total Households (HH) (#)	Total HH spend 30% or more of income on shelter costs (#)	Total HH spend 30% or more (%)	Total Renter HH (#)	Renter HH spend 30% or more of income on shelter costs (#)	Renter HH - spend 30% or more (%)	Total Renter HH of Total HH (%)	Total Owner HH (#)	Owner HH spend 30% or more of income on shelter costs (#)	Owner HH spend 30% or more (%)	Total Owner HH of Total HH (%)
Canada	14,744,570	3,074,715	21%	4,936,850	1,624,715	33%	33%	9,807,720	1,450,000	15%	67%
Alberta	1,595,570	337,585	21%	463,570	156,415	34%	29%	1,131,995	156,415	14%	71%
Calgary	562,780	126,110	22%	166,020	56,595	34%	29%	396,760	69,415	17%	71%

HART Housing Needs Assessment Deficit (CORE HOUSING NEED) in Calgary and across Canada (Census 2021)

More than 50,000 households in Calgary (Census Division) need housing costing \$1,262/mo or LESS

Source: [HART Housing Needs Assessment Tool \(Census Division for Communities, Census 2021\)](https://hart.ubc.ca/housing-needs-assessment-tool/) at <https://hart.ubc.ca/housing-needs-assessment-tool/>

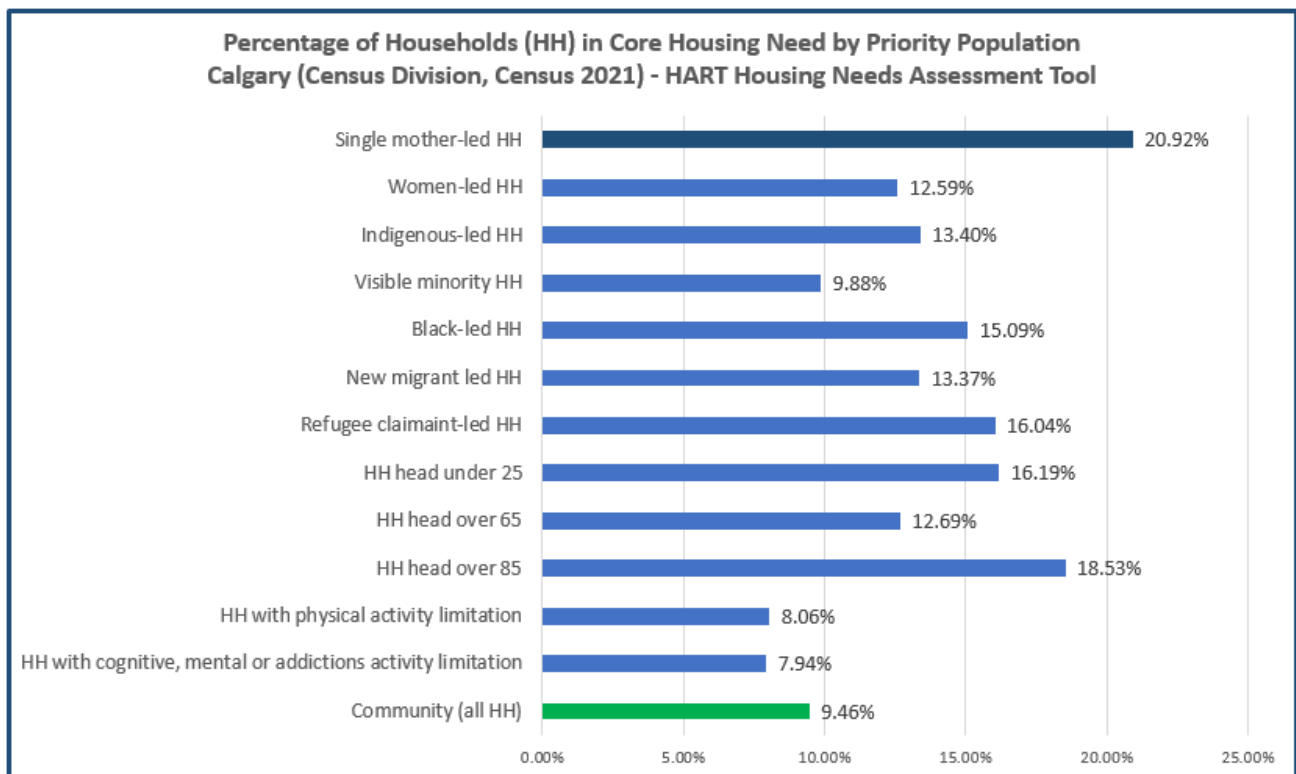
TABLE 1: HART – Calgary Affordable Housing Deficit by Number of Persons in a Household (Census Division, Census 2021) More than 50,000 households in Calgary (Census Division) need housing costing \$1,262/mo or LESS.



Income Category	Affordable Shelter Cost (2015 CAD\$)	1 Person HH*	2 Person HH*	3 Person HH*	4 Person HH*	5+ Person HH*	Total
Very low Income: <=\$20,200	<=\$505	5,810	1,230	420	115	55	7,630
Low Income: \$20,200 - \$50,500	\$505 - \$1,262**	22,245	11,770	5,185	2,635	1,425	43,260
Moderate Income: \$50,500 - \$80,800	\$1,263 - \$2,020	0	460	1,015	1,215	1,860	4,550
Median Income: \$80,800 - \$121,000	\$2,020 - \$3,030	0	0	0	0	0	0
High Income: >=\$121,000	>=\$3,031	0	0	0	0	0	0
Total		28,055	13,460	6,620	3,965	3,340	55,440

*HH = Household **\$1,262/\$1,263

CHART 1: HART - Percentage of Households in Core Housing Need by Priority Population: Calgary (Census Division, Census 2021)

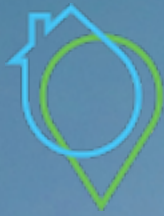


HART Housing Needs Assessment Deficit (CORE HOUSING NEED) in Calgary and across Canada (Census 2021)
More than 50,000 households in Calgary (Census Division) need housing costing \$1,262/mo or LESS

Source: [HART Housing Needs Assessment Tool \(Census Division for Communities, Census 2021\)](https://hart.ubc.ca/housing-needs-assessment-tool/) at <https://hart.ubc.ca/housing-needs-assessment-tool/>

TABLE 2: HART – Maximum rent needed by Very Low Income + Low Income Households

HART Housing Needs Assessment Tool Housing Deficit (CORE HOUSING) across Canada (Census 2021)				
Region	Total affordable housing deficit (CORE HOUSING) # households (A)	Affordable housing deficit (CORE HOUSING) Very Low Income + Low Income # households (B)	Max. rent needed by Very Low Income + Low Income households \$/month (C)	% (B)/(A)
Canada	1,451,030	1,120,650	\$1,050	77%
Alberta	154,240	133,335	\$1,200	86%
Calgary, AB (Census Division)	55,440	50,890	\$1,262	92%
Edmonton, AB (Census Division)	58,470	52,190	\$1,200	89%
Lethbridge, AB (Census Division)	5,180	4,660	\$1,062	90%
Greater Vancouver, BC (Census Division)	166,105	108,835	\$1,125	66%
Saskatoon, SK (Census Division)	12,720	10,755	\$1,100	85%
Winnipeg, MB (Census Division)	34,460	26,830	\$1,000	78%
Toronto, ON (Census Division)	215,210	140,585	\$1,062	65%
Ottawa, ON (Census Division)	44,445	37,270	\$1,287	84%
Montréal, QC (Census Division)	87,935	83,750	\$837	95%
Saint John, NB (Census Division)	2,620	2,520	\$800	96%
Charlottetown, PEI (Census Division)	2,235	2,105	\$968	94%
Halifax, NS (Census Division)	22,540	18,945	\$1,012	84%
St. John's NFLD (Census Division)	9,690	9,475	\$987	98%
Yellowknife, NWT (Census Division)	795	690	\$1,837	87%



Housing Assessment
Resource Tools
(HART)

How-To:

Create a successful
property acquisitions
strategy

Practical step-
by-step guides
for Canadian
Governments

Written by
Joseph Daniels
and Martine
August

How-To:

Establish a foundation for property acquisitions

The first question to answer when setting up a multifamily acquisition program is: **what are we acquiring and why?**

Identifying buildings for acquisition **in advance** of a future sale is an important task because:

- It enables understanding of the scale and scope of an acquisition program
- It allows governments to make opportunities happen rather than responding reactively
- Enables coordination and knowledge sharing among governments and non-profits
- It allows municipalities to monitor low-end of market housing likely serving priority populations.

Identifying, monitoring, and acting on possible acquisitions should focus on the most strategically significant properties, without overly-prescriptive rules that may result in losing sight of good opportunities.

Develop program criteria for properties

Multifamily rental buildings for acquisition should be **priority-shaped**, but **opportunity yielding**; the system created for identifying, monitoring, and acting on possible acquisitions should be crafted to point toward the most strategically significant properties, without losing sight of opportunities that do not fit overly bounded priorities (or unachievable requirements).

In developing criteria, program designers might consider the following:

- **Affordability**: a focus on buildings with existing affordable units.
- **Building characteristics**: buildings of a certain size (e.g. over five units), or of a certain type (e.g. rooming houses, single-room occupancy [SRO] properties).
- **Neighborhood characteristics**: protecting buildings in areas undergoing gentrification, areas with certain levels of affordable properties, areas near to public transit or employment, areas of strategic local importance.
- **Ownership changes**: targeting properties with a certain type of ownership (e.g. financial owner/operators, buildings with long-time owners).
- **Tenant experiences**: programs could target properties with high levels of tenant complaints, eviction filings, high rent increases, code violations, unmet maintenance orders.
- **Socio-demographic characteristics**: programs could focus on buildings or areas identified with high populations of priority groups vulnerable to displacement.

Based on program goals, clear eligibility criteria should be outlined. We recommend fewer restrictions to ensure a large 'population' of potential buildings eligible for support. For example, a program might focus on 'size' and 'affordability', such as "buildings over five units" with average rents affordable to moderate-income households.



An acquisitions program can work well even with only this first step completed. Depending on criteria, it may be useful to develop a database of eligible properties (Step 2), and enforce a Right of First Refusal (Step 3) to grant program participants priority in acquiring eligible buildings.

2 Create an eligible building database to monitor

A building database can be monitored by municipalities and non-profits that are looking to acquire buildings. Depending on how the database is constructed, municipalities and program participants may choose to sort buildings in order to identify the most pressing to acquire, depending on their priorities.

Creating a database is not easy; it may require accessing data (including proprietary data) from other partners. We recommend the development of a **public, interactive portal** or web application with multiple data sources:

- Statistics Canada can provide city-wide and neighbourhood-level socio-demographic data and indicators of neighbourhood change
- CMHC has data on neighbourhood rent levels and other housing data
- Municipal Property Assessment data (providing building addresses, ownership, assessed value, and other details)
- Proprietary databases (e.g. Altus) include information on building ownership
- Municipalities have access to data on property addresses and ownership, maintenance requests, and other information
- Voluntary, crowd-sourced data: Organizations like RenovictionsTO have crowd-sourced data on renovation applications, which can indicate at-risk properties
- Provincial data from landlord-tenant tribunals can be used to track eviction filings
- Web-scraping techniques to identify rent levels and other building information.

The existence of a building list makes it easier for program participants to identify potential acquisitions and makes it possible to operate systematically. Ideally, this database can be updated regularly so that new buildings are added when they become 'at-risk' or meet program eligibility criteria.

Another option for creating a database is to use data from a **Landlord Registry**. Landlord registries require building owners to report their property holdings, unit sizes, rent levels, status of repair violations, and other details – updated on a regular basis. They shift the obligation of data reporting to owners of multi-family properties.



Jurisdictions where non-profits have created databases: [New York City](#), [Los Angeles](#), and [Montréal](#)

3 Create an 'early warning' system

Transform the database in Step 2 into an **actionable tool** for tracking potential acquisitions by incorporating real time updates from existing data or by requiring building owners to report potential building sales.

An early-warning system is a critical component of a **Right of First Refusal** program, which gives program participants (such as a municipality, tenants, or non-profits) the opportunity to make an offer on a program-eligible property. These programs require owners of eligible properties to self-identify and report when they plan to sell, sharing relevant details including a view of an existing offer on a property. Alternatively, a municipality can notify owners of eligible properties that their site has a Right of First Refusal placed on it. These programs need **enforcement mechanisms**, to ensure owners comply.



Importantly, municipalities need permission from Provinces to enact Right of First Refusal programs.

Optional: Establish enforcement mechanisms for compliance with data or point of sale obligations.

It is critical that municipalities ensure that obligations created in the program design (i.e. Rental Registry and/or Notice of Sale or First Right of Refusal) can be enforced. There is a risk of **mass avoidance**, as had occurred in Seattle following its Notice of Sale requirement. The specific prevention mechanisms might vary as legally permitted in each jurisdiction, but should ensure that:

Penalties are imposed for non-compliance, including financial and revocation of rights (i.e. cancel a landlord's license to operate, face fines for not updating a rental registry).

If a First Right of Refusal is in place, ensure **sales can be cancelled for non-compliance**.

Where possible **place the compliance burden on landlords**, with automated systems that work without high staff input.

Summary recommendations supporting these steps:

Municipal

1. Work with non-profit housing providers to develop both eligibility rules and selection criteria used to identify buildings for acquisition.
2. Create an interactive, public, and participatory acquisition database and live portal.
3. Identify staff members and/or non-profit partners responsible for monitoring and tracking identified properties.

Provincial

1. Pass legislation granting municipalities and/or non-profits a First Right of Refusal.
2. Establish a province wide rental registry and landlord licensing obligations.
3. Fund joint municipal/non-profit data collection efforts.

Federal

1. Ensure Federal data collection agencies (CMHC, StatsCan) are collecting and disseminating appropriate data to the task of knowing the stock of 'existing affordable' properties. This includes rental data at the building level to municipalities and/or non-profit housing providers.
2. Fund new data infrastructure to be implemented by provinces and municipalities.

How-To:

Set long-term affordability parameters and expectations

The principal reason for the existence of an acquisition program is to protect the affordability of homes before it is lost, so ensuring affordability over time is a key element of any program. Long-term affordability is a dynamic concern dependent on: size of initial capital grants to purchase the property; access to affordable financing; renovation and repair costs; and operational expenses.

In other words, affordability is not a single point in time measure achieved on day one. It is a balance between the **social value of affordability** maximization and the **financial viability** of acquired buildings for their new non-profit owners. Strategies should include a relatively generous affordability minimum and temporal requirements to grow that affordability into the future. These parameters and expectations:

- Create a clear mandate for what constitutes existing affordability
- Underpin the underwriting of affordable housing acquisitions
- Develop the foundations for adding affordable supply over time
- Establish transparency and accountability standards.

All parameters should be **flexible** but **growth-oriented**. While non-profit entities should be given the latitude to acquire properties that are less affordable currently, mechanisms should be put in place that allow for that affordability to grow over time.

1 Set a strong baseline for expected affordability

This is the minimum threshold of affordability that property must exhibit to be eligible for support from the acquisitions program.

There are two primary mechanisms used to define the existing or 'initial' affordability of a building: income-based or market rent-based. For our purposes both are suitable, though depending on local ratio of rents-to-income, one may be more preferable: favor the one resulting in greater affordability.

- Moderate Income-based:** a percentage of the units or building average are at rents affordable (< 30 percent of income) to those making 80% of area median household income (AMHI) or less (see the Housing Need Assessment Tool developed by HART).
- Market rent-based:** rents in a percentage of the units or building average are 80% of area market rents or less.

Recall this measure is also one of the criteria for property identification, so **simplicity is best**. It is only the starting point for affordability, being what currently 'exists' in a sufficient number of properties. Focusing on an average enables some units to be renting at rates higher or lower in recognition of the likely diversity of rents based on previous tenant turnover in a building.



Step one can come from any order of government.

2 Create an operational standard for 'perpetual' affordability

The capital support of an acquisition program should come with two critical components:

A **term of affordability** that is representative of at least the full lifecycle of the building. Arguably this should be at least 60+ years, with 99+ representing the gold standard (see Toronto's MURA). This exceeds the lifetimes of most tenants and/or the lifecycle of the building such that it effectively operates in perpetuity.

A **mechanism for enforcing** the term of affordability. This is a guard against the risk that a non-profit would shift its activities or dispose of an asset and render it lost from affordable stock. What could these look like?

- i. **Lien-on-title:** This would be a lien placed against the property based on the value of the grant/loan provision provided by a state actor. i.e. Provide grants as non-interest bearing forgivable loans, forgiven at a rate of 1 percent per year. This achieves a 99-year term of affordability (listed as a liability on the non-profit's accounts).
- ii. **Covenant:** This is a non-monetary restriction on a particular property restricting its use and or ownership type (i.e. restriction to non-profit ownership or for affordable housing).
- iii. **Zoning:** A municipality could alter the zoning of non-profit held properties to restrict their use for affordable housing (and allow for affordability enhancing activities by right).
- iv. **Community Land Trusts:** A municipality could support the development of a community land trust to hold a portfolio of non-profit housing assets as the steward of their ongoing affordability.

Regardless of the specific mechanism, operationalizing the perpetuity of affordability is necessary to ensure the long-term goals of the acquisition strategy are not compromised.



3 Require an action plan for growing affordability

Acquisition strategies should enable non-profits to gain critical experience so they can take on a greater role in expanding existing affordable stock and growing the depth of affordability within that stock.

Governments should:

- i. Codify a **tenant succession plan** (depth of affordability): when a household paying a rent above the affordability average in a building moves out, they should be succeeded by a household in core housing need who is on a waiting list for social housing (and lower than the building's affordability average).
- ii. Allow non-profit housing providers to **layer housing benefits**: enable non-profits to count housing benefit supplied to tenants towards measures of average building affordability. For example, the Parkdale Community Land Trust was able to achieve an affordability average of ~60% area market rent, despite its grants and financing being designed for 80% of market rents.
- iii. Require non-profits **indicate redevelopment plans** if permitted by current zoning (expansion of affordable supply): a non-profit should put forth a statement of interest in and/or a broad plan for redevelopment over the long term which includes the retention of at least the number of units currently on the property at current or deeper levels of affordability.

4 Incentivize greater affordability

As the depth of affordability or the redevelopment potential of a property grows so too does the gap between actual rents and market value. Governments should encourage non-profit entities to realize their plans for growing affordability over time sooner by incentivizing affordability.

The exact structure of these incentivizes will depend on the role higher orders of government take. Where funds are only provided by a municipal/local area government, the ability to provide such affordability bonuses will be significantly curtailed. Ideally, these would be structured as additional to the standard acquisition program. Examples of incentives:

- i. **Top-up capital grants (or loans)**: for buildings exceeding affordability minimums, additional 'top-up' grants (for capital or renovation) alongside the main program could be provided. This would be particularly valuable if structured as a 'match' to other tiers of government funds. These could also be structured through rules rather than on a case-by-case basis for simplicity's sake.
- ii. **Additional rent subsidy**: if very low income households are to be housed, it may be necessary to layer on additional rent subsidies, such as federal, provincial or municipal housing benefits.
- iii. **Additional supports or operational subsidies** for supportive housing or other supportive services.
- iv. **Redevelopment bonuses**: for acquisitions where redevelopment value is particularly high relative to its current affordability, the standard acquisition funding mix may not be sufficient. If the non-profit has indicated a reasonable redevelopment plan this could unlock additional capital grants.

Guide 2: Set long-term affordability parameters and expectations

Summary recommendations supporting these steps:

Municipal

1. Use rights-based definitions of affordability, such as “affordable to moderate income households earning 80% of AMHI”, where “affordable” is “30% of pre-tax household income”
2. Create incentives for exceeding affordability minimums, such as grants or portable housing benefits.
3. Codify requirements for tenant succession, including choosing tenants from a centralized social housing waiting list.
4. Require statement of redevelopment intent from non-profits (if applicable with current zoning), including mechanisms for “right of return” of current tenants at similar rents and unit sizes.

Provincial

1. Create legal mechanisms used by municipalities to enforce terms of affordability.
2. Create incentives for exceeding affordability minimums, with particular emphasis on operational subsidy and support services.

Federal

1. Set flexible baseline affordability requirements that are widely applicable and simple to implement, such as the CMHC definition of “affordable housing” which is “no more than 30% of pre-tax household income” and the use of income categories.
2. Create incentives for exceeding affordability minimums, with particular emphasis on operational subsidy or larger capital bonuses.

How-To:

Streamline funding for effective rapid access

After identifying suitable properties and defining affordability parameters, governments might ask: **how do we deliver these funds effectively** so non-profits can act rapidly to acquire properties?

Fund delivery should be at the '**speed of the housing market**', while remaining accountable. It should remove complexity while ensuring acquisitions maintain affordability long term. An acquisitions program should be a dedicated policy that is streamlined and sustained over the long term.

Use pre-approvals to expedite acquisitions

Akin to a pre-approvals for a homebuyer, these give non-profits confidence in how much funding they might have available for potential opportunities. At this stage the funder can assess the non-profit's capacity for taking on the purchase, renovation, and sustained maintenance of an existing property.

The pre-approval focuses on two primary features:

- i. **Evaluating a non-profit's property management capacities:** assessing the non-profit's current portfolio, history of acquisition, property and asset management teams/plans, risk management strategies, and operations records.
- ii. **Stipulate maximum (grant) funding amount they could receive** given the scale of operations and capacity to handle potential growth (including, in the case of supportive housing, the support services offered).

It is a critical test of capability and an opportunity for government and non-profits to discuss areas of concern and growth before there is a critical funding need. It can be a more involved process that non-profits apply for annually, but once granted would authorize the them to place offers on eligible properties freely. Non-profits may also wish to combine assets or form a partnership using a Community Land Trust model for acquisitions.

2 Forward funding for pre-acquisition expenses

Pre-approved non-profits must be able to support expenses related to actively searching for an acquisition opportunity. Funders should forward a proportion of the pre-approved funding amount to a pre-approved non-profit to cover typical acquisition costs.

This supports proper due diligence and insulation from the costs of inevitable unsuccessful offers/purchases. These up-front funds (included in total grant amounts) facilitate agility by providing equity on hand for offer deposits. What does this look like? Based on the maximum pre-approved funding allocation, up-front funds could include:

- **Ten percent** of the maximum allocation for deposits, advanced within 60 days of pre-approval.
- **Additional \$25,000** for pre-acquisition expenses, such as building condition assessments or property appraisals.

These amounts should be included in the pre-approved max allocation. The purpose of the forwarding of funds is to facilitate action. The specifics might change, but again this step ensures initial expenses of a property search do not become a hurdle.

3 Deliver full funding amount within 30 days

Funders should commit to a streamlined approval process upon identification of a suitable property for acquisition. They should deliver the remainder of the required funding within 30 days of a project submission and offer. This is necessary to allow the non-profit to move with the market. The funder reviews this proposal for alignment with pre-approved funds and property eligibility.

Proposals should include:

- **Full project details**
- **Proposed capital and operating budgets**
- **Property management plans**
- **Operating plans**

City governments have proven it is possible to make such decisions in a short amount of time both in Canada and elsewhere (e.g. [Toronto](#)). The split review of the organization and the project enables non-profits to act quickly when opportunities become available.

Optional: Establish a bridge loan vehicle

While grants are vital to help non-profits get loans and maintain affordability, it can still take some time for an organization to put potential long-term financing in place quickly if it is not provided as part of an acquisition program directly. Ideally, an acquisition program from Federal or Provincial governments would ensure loan provision (or guarantee).

Funding should **always prioritize grants**, but where long-term lending is not immediately available it might be beneficial to consider short-term lending that covers the full costs of acquisition. This funding would 'bridge' the gap between approvals for grant funding under an acquisition program and improve likelihood of receiving additional long-term funds elsewhere (usually low interest lending from the state). These vehicles would fund a project (within 30 days) for no more than five years, at which point the capital would be returned to the bridge funding vehicle. This could **remove any remaining obstacles** for non-profits seeking to take advantage of an acquisition program's grant support at speed. One example of this is San Francisco's [Housing Accelerator Fund](#).

4 Ensure funds are available on a rolling basis

It is common for governments to issue annual calls for proposals to receive funding; they usually entail a submission and a months-long waiting period for a response. Instead, governments should ensure that funds are available on a rolling basis.

This works better for acquisitions because opportunities are not evenly distributed throughout the year (or even year-to-year), and non-profits require access to funds quickly, on an as needed basis.

Generally, once approved, non-profit access to funding should be first come, first served until the program's funding allocation has been depleted. If total funding is low, this is likely to happen relatively quickly until they are renewed; if total funding is high this will serve as an agile way to respond to acquisition opportunities as they arise.

Critically, funding from one year's allocation should not 'disappear' because it is unused immediately. It should roll over to the next year, so if one year has fewer opportunities than the next, there might be some funding flexibility. **Flexibility is key** to ensuring successful acquisition of at-risk buildings that operate within the 'market'.

5 Commit to the process, regardless of funding

Ongoing, uninterrupted funding is critical because it creates predictability for non-profits. An acquisition program cannot be an 'everything' program. There are capacities and resources that the process of acquisition requires that must be built up over time through trial and error.

This requires non-profits to dedicate time, staff, attention, and money; they will only do so **if they know their investments will pay off** in the form of **sustained support** for the task of acquisition.

We suggest that funding is **sustained over a few years** even if it means the total year-to-year allocation is lower than would be ideal. In part, this is to encourage governments of all sizes get involved in long-term funding delivery for acquisition. Acquisition has an immediate effect, but its ultimate value for growing affordability is **realized through time**.



Municipalities (and Provinces) should not wait for higher orders of government to act. Funding delivery will largely depend on local knowledge (to approve local organizations and acquisitions), so it's best to get it right early, establishing the process through which higher order of government funding can be delivered when it arrives.

Summary recommendations supporting these steps:

Municipal

1. Don't wait for other governments. Design (and assign responsibility for) pre-approval processes.
2. Develop streamlined review of non-profit identified sites for acquisition.
3. Request power from higher orders of government to start a 'bridge financing vehicle'.
4. Allocate funding annually for a few years.

Provincial

1. Provide funding to support a rolling/roll-over acquisition program.
2. Develop a province wide bridge financing vehicle to support grant allocations.
3. Allocate funding annually or 'endow' a large fund for long term presence.

Federal

1. Provide sufficient funding to support a rolling/roll over acquisition program.
2. Provide long term funding for acquisitions with annual contributions or 'endow' a large fund for long-term presence.



Funding delivery should **prioritize grants** to cover the gap between the market price and the value of the property maintained as affordable. This is not to say that loans should not be part of the mix, but they can be offered by a wider array of actors. Grants can also provide critical equity non-profits use to get private loans they would otherwise be ineligible for while also allowing for deeper levels of affordability. Funding delivery should be designed around these grant offerings, stipulating for loans (or loan guarantees) when resources grow.

How-To:

Build capacity in the non-profit sector

Capacity in the non-profit sector varies widely from province to province, city to city, but even in the most sophisticated regions more needs to be done to ensure governments and non-profits are ready to purchase, operate, sustain, and expand existing housing.

Critically the acquisition process, while offering a superb opportunity for expanding the social and community housing sector, creates new challenges that many housing providers have not had to face in our current social housing system. Challenges include:

- **Identifying** properties for purchase
- Pre-purchase **due diligence** (incl. assessments of building and existing resident needs)
- The purchase **negotiations**
- **Resident education** about non-profit ownership
- Long-term **asset planning** (without ongoing assistance).

Responding to these challenges all demand a cultural shift towards active asset management. This means taking up a more entrepreneurial attitude towards achieving affordability.

A focused effort to build capacity for acquisition in the non-profit housing sector is important because:

- It generates **new skills for a new generation** of capable, resilient, and autonomous non-profit housing developers and providers.
- It creates opportunity for **institutional innovation**.
- It puts non-profit housing providers on a more **equal footing in the housing market**.

1 Formalize communities of practice

Government must lay the foundations for mutual understanding of what a successful acquisitions program looks like and open lines of communication to establish where the needs and strengths of the housing system are. The most successful programs turn informal networks into formalized systems of collaborative practice.

- Bring together **government departments, foundations, non-profit housing providers, and potential funders** together as co-developers of programs.
- Assess each other's **strengths** and **weaknesses**.
- Codify a **shared mandate with clear actions** to be taken; assign roles and responsibility.
- Develop **structures of accountability** to each other's commitments.
- Name it! (Give this community of practice a name) and **meet regularly**.



Chicago's **Preservation Compact** is a partnership housed in the Chicago Community Investment Corporation established by seven government agencies, foundations, funders, and housing providers. What started as a working group, turned into a formal agreement, codified into an organization which became the primary intermediary for identifying and obtaining 'at risk' properties and transferring them to more responsible owners.

2 Support development in active asset management

Some non-profits may have less experience in developing or re-developing existing properties, but many great opportunities on the market may require these skills. Investments should be made to ensure non-profits are prepared to do the kind of active asset management required in these cases.

This can be accomplished in two ways:

- i. Capacity support can be **built into the acquisitions program design** (see Guide 3); governments can authorize a certain percentage (i.e. 10%) of total eligible funds in an acquisitions program upfront to cover costs a non-profit might not otherwise have the resources for, such as due diligence expenses, offer negotiations, and deposits. These are immediate needs focused on directly facilitating an acquisition.
- ii. Governments should provide **organizational resources**: This should focus on creating innovative institutions to support acquisition, including resources to established collaborative enterprises such as asset pools or land trusts that can take on the asset management tasks. What does this look like? Perhaps a reigniting of **technical resource groups** that were funded by the CMHC in the 1970s and 1980s, developing new societies to support other non-profits, or providing resources for staff hiring and education.

3 Encourage 'scaling up'

Scale is a critical component of capacity: a small organization with a 25-unit building will have a much harder time effectively managing operational costs than one with 500 units in multiple buildings. Larger organizations can develop economies of scale and skills necessary for active asset management in addition to their existing responsibilities.

Scaling up can be achieved with careful attention to:

- i. **Program Design**: governments should avoid designing acquisitions programs that discourage scale ('designing small'). Putting limits on the number of units that can be supported by a single project can harm non-profits' abilities to manage them affordably. Where possible, create programs that encourage portfolio growth.
- ii. **Mergers/partnerships**: governments should encourage housing providers to merge or partner (i.e. through a land trust) in order to grow their asset base for acquisition. Not only will this make them effective partners for when greater funding is available, but it would give them more power at the point of sale and with a bank for a loan.
- iii. **Pick winners, but promote equity**: if trying to scale to meet need, governments should favor organizations that demonstrate the ability to scale their ownership and maintenance of affordable properties rapidly. Funding split between too many organizations will end up resulting in poor economies of scale and/or competition between non-profits for available properties. With that in mind, encourage larger non-profits to work in partnership with smaller organizations with mandates serving priority populations (Indigenous, women, racialized groups, new migrants, people with disabilities), through land trusts or other shared asset mechanisms.



Capacity challenges affect both governments and the non-profit sector, after three decades of federal policy neglect. It should not be used as an excuse for inaction or sole reliance on the private development sector. A non-profit based acquisition program of critical scale can start small and be scaled up as capacity grows.

Guide 4: Build capacity in the non-profit sector

Summary recommendations supporting these steps:

Municipal

1. Design an acquisition program for scale (don't design small).
2. Establish formal communities of practice with a shared mandate.

Provincial

1. Design an acquisition program for scale (don't design small).
2. Provide financial support for starting up formalized communities of practice at the municipal level (i.e. start-up grants, staff training).
3. Provide support for housing providers to merge operations or set up collaborative asset management (i.e. Land Trusts or asset pools).

Federal

1. Fund a robust, nationwide acquisitions program.
2. Support new technical resource groups in each province focused on acquisition, portfolio management, and long-term capital design.
3. Provide support for housing providers to merge operations or set up collaborative asset management (i.e. Land Trusts or asset pools).

How-To:

Scale up your acquisitions strategy

One of the critical challenges faced by policy makers in creating an acquisitions strategy is how we go from supporting a few dozen units to tens of thousands of units nationally on an annual basis to meet need. Pilot programs can test out a new strategy but are not enough to establish an ecosystem supportive of acquisition. Recall that we have established three program delivery principles; funding should be streamlined, sustained, and dedicated. These principles must be applied across all scales of government, not just the site of immediate program delivery.

Establish dedicated funding at scale

Provincial and federal governments (those with the greatest resources, flexibility, and power) must provide annual acquisition funding in every community, regardless of size or municipal resource. An acquisition program that is only confined to large urban centers will fail to consider the ways in which affordability is a regional issue.

Funding should be able to support thousands of units per year, comprising four components at a minimum:

- i. **Capital Grant:** provide equity grants; at least 25% of total acquisition costs, \$150-350k+ per unit depending on costs of local market.
- ii. **Loan:** provide access to low-cost/below market financing; <75% of total acquisition costs. This can come in the form of direct lending or loan guarantees on private lending. These will be recycled back into the government with time.
- iii. **Renovation costs** (incl. in grant): ~\$20-50k per unit (for minor or moderate renovation including energy efficiency and/or accessibility upgrades).
- iv. **Operating Subsidy** (excl. from grant): should be considered for projects providing supportive housing services and should include capital grant bonuses.



*The first step is **essential**. Almost 600M in direct capital contribution and access to approximately 1.8B in loans (2.4B in aggregate capital) could support up to 10k units annually. This figure should set the floor on federal support, but Provincial governments could also contribute effectively on both capital grant and loan fronts. Both the [Federation of Canadian Municipalities](#) and the [Canadian Housing Renewal Association](#) have called for similarly scaled actions.*

Guide 5: Scale up your acquisitions strategy

2 Align program mandates

All tiers of government should work to ensure that requirements for receiving funding are **in alignment**. This is particularly important on affordability, and we would strongly recommend the rights-based definition of affordable housing as 30% of pre-tax household income and the use of consistent income categories: very low, low, moderate, median and high.

The federal government should establish funding with the singular mandate to “acquire properties where existing affordability puts it at risk of loss for those who are homeless or in core housing need,” most commonly those households who are very low to moderate income. Rather than expecting accessibility or energy efficiency in acquisitions, the federal government should ensure that renovation funds completely cover these requirements.

3 Create a common application

One of the major challenges faced by non-profits seeking funding for their projects, whether new build or acquisition, is the need to submit multiple unique and complex applications to multiple tiers of government and funding programs. This process adds cost, time and functionally eliminates agility in the market.

Governments should work together not only to **align program requirements** for acquisitions and also work towards creating a single ‘common application’ that can be used across all levels of government, preferably coordinated at the local or regional level by a government affordable housing secretariat.

In addition to a ‘common application’, governments will need to create a common timeline for reviewing the acquisition funding proposal and supplying resources. Generally, **30 days or less** is required to help a non-profit act on an eligible property. An acquisition program should require commitments from governments of all levels (where applicable) on meeting these timelines. This is particularly relevant if the eligible acquisition is being considered for ‘additional’ funding above and beyond the central program (see Guide 4).

4 Authorize fund matching and stacking

Governments can acquire more units of greater strategic value with more resources, and they are more likely to act knowing other orders of government will support them. Acquisitions programs should have match funding schemes built in and allow for the stacking of funds from other programs where relevant to specific needs.

Critically, this is an area where shared action should be incentivized. Here provincial and municipal governments can provide powerful multiplier support to the success of a federal baseline funding program.

- **Matched Funding:** provided in proportion to other sources; usually this is used to incentivize the unlocking of greater available funds. For example, the Federal government might provide an extra \$50,000 per unit if a provincial or local government provides an additional \$50,000. A match like this might enable acquisitions of properties in more expensive cities where higher grant levels are needed.
- **Stacking Schemes:** federal policy will need to change to allow funds in some existing programs to be used in acquisitions projects. Possible stacked subsidies could include funds for energy efficiency or accessibility retrofits, additional housing benefits for lower-income households, and/or support services.

These schemes allow for greater depth of affordability to be achieved faster (See Guide 2) while sharing risks and responsibilities.

Not all acquisitions will go as planned: the greater cross-government participation there is, the greater capacity and resilience there is to support the non-profit housing sector to wade through the unpredictability of existing multifamily housing markets to grow.

5 Create cross-sector funding vehicles

One of the most effective means for supporting the funding and coordination of an acquisition program across all scales of government is through the production of the “one-stop-shop” funding mechanism.

This **one-stop-shop** would be the repository for all the acquisition funding programs supported by all levels of government. Its dedicated function would enable it not only to support non-profits swiftly, but also become a central node for delivering supporting resources around capacity (See Guide 4). At its core, it operates to **share risk and leverage resources** across the government, the non-profit housing sector, and/or could expand to include foundation and private social capital.

While such a fund could be a government entity or crown corporation, the most likely scenario is a ‘new’ entity in the form of a non-profit partnership (established in each Province) between leading non-profit housing associations/providers and government. Such a fund would be responsible for delivering grants, loans, and other supports provided (by government and other stakeholders) for the express purpose of the acquisition of multifamily properties to support the expansion of the community housing sector.



The BC Rental Protection Fund (at \$500 million in grant resources) is a start towards this approach, though it does not (yet) have private capital involvement. Examples of other kinds of Funds which could function towards similar ends are Quebec's emerging [Plancher](#), Denver's [TOD Fund](#), and shorter-term funding in New York City's [Acquisition Fund](#).

Guide 5: Scale up your acquisitions strategy

Summary recommendations supporting these steps:

Municipal

1. Design matching and top-up funding programs to support Federal/Provincial funding.
2. Work with Provincial and Federal levels to create common procedures.

Provincial

1. Develop matching and stackable programs to 'add' to Federal funding.
2. Establish funding vehicles to receive federal funds and coordinate municipal/non-profit activity.
3. Work with other orders of government to create a 'common application' for acquisition funding.

Federal

1. Create acquisitions funding program.
2. Establish mandate of an acquisitions program, protecting the affordability of existing (units) tenants as a human right.
3. Permit existing federal resources and program funding to be used for acquisitions.
4. Support the establishment of new funding vehicles focused on acquisition alone.
5. Work with lower orders of government to support common funding application/requirements, leaning toward local/provincial schemes.

How-To:

Form a supportive housing ecosystem

The best acquisitions programs benefit from a supportive ecosystem of housing (and other) policies. These include: tenant protections, ending exclusionary zoning, property tax exemptions for non-profit housing, and rapid as-of-right approvals.

1 Implement new and stronger tenant protections

Promoting affordability through housing acquisitions will work better in an environment with more support for tenant protections and security of tenure.

This includes:

- i. **Strong rent control policies** that limit rent increases during tenancies (to cost-of-living increases applied annually), and between tenancies (by eliminating vacancy decontrol).
- ii. 'Loopholes' in legislation that allow for higher increases (such as Above Guideline Increases or AGIs) should be **eliminated**.
- iii. Require the **replacement of any demolished or converted rental housing** units on a one-to-one basis, at the same size and level of affordability.
- iv. Existing tenants should have a '**right of return**' to renovated or new units at the same or reduced rent.

Security of tenure for renter households will be enhanced by broader policy interventions to reduce poverty. Supportive policies in this field include: **increased income supports** (such as higher social assistance rates and/or the implementation of universal basic income programming), **higher minimum wages**, and **stronger protections for workers**.

Programs that are supportive of secure tenure and ongoing affordability will make it easier for non-profits to maintain affordability in newly-acquired stock, and will protect tenants in market-oriented housing from economic hardship and displacement.

Guide 6: Form a supportive housing ecosystem

2 Enforce the steps and terms of acquisitions

Governments (primarily Provincial/Territorial) can support acquisition by **granting legal powers** to municipalities to enforce right of first refusal legislation, notice of sale requirements, and/or data collection efforts (whether required from landlords or other sources). These powers enable non-profits and municipalities to compete on a more even footing in the private rental sector.

This includes:

- i. Enacting **provincial legislation** to allow a municipality the power to grant itself, a non-profit housing provider, and/or tenants a 'first right of refusal' on the sale of existing multifamily apartment buildings
- ii. **Transparent, publicly accessible assessment data**, which allows research on the owners of buildings
- iii. Strong **controls over short-term rentals**
- iv. **Rental registries**, which require landlords to submit rental building and unit data to the government
- v. **Enforcement penalties** (i.e. daily fines, revocation of business permits, etc.) for failure to comply

3 Create tax incentives for acquisitions

Tax policy is central to influencing the wide-scale adoption of a particular practice. While this is principally a federal and provincial area of concern (e.g. land transfer tax, HST), municipalities can waive local property taxes (as permitted by the province).

Other tax mechanisms include:

- i. **Reducing capital gains owed** by vendors of investment properties who sell to non-profits, known as a '**vendors tax credit**', could support non-profits be favorable buyers
- ii. Create tax credits, such as a 'Canadian Low Income Housing Tax Credit' that supports the private financing (at a lower interest rate) of multifamily rental acquisitions by non-profits and/or the redevelopment of those properties
- iii. **Waive (or reduce) transfer taxes** such as land transfer or HST for non-profits acquiring private market rentals

Tax policy that works to reduce the hyper-demand for investment in existing multifamily properties would be beneficial, including anti-flipping taxes, removal of 'pass-through' tax benefits for 'corporate' landowners, and higher capital gains on investment properties. Alongside these, **tax policy that supports renters** (i.e. renters tax credits/rebates) should also be considered.



Collectively these actions on tenant protections, legal powers, and taxation can help to build out a sustainable policy ecosystem in which acquisitions can thrive. These are not necessarily preconditions for success, but steps that need to be addressed at some point, whether for acquisition or otherwise.

Summary recommendations supporting these steps:

Municipal

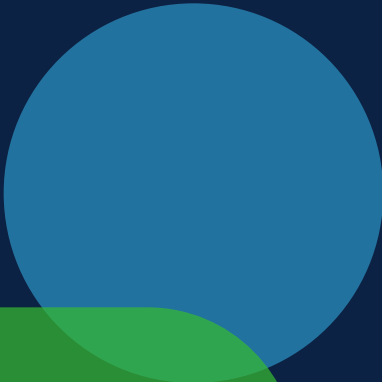
1. Request the power to implement right of first refusal/notice of sale policy.
2. Provide waivers of local property taxes, and/or provincial transfer taxes (where permitted).
3. Enact one-to-one replacement policy for rental units demolished or converted.

Provincial

1. Enact first right of refusal/notice of intent to sell legislation (for municipalities or province wide)
2. Enact legislation that authorizes the mandatory collection of rental building and unit data from landlords.
3. Exempt provincial transfer taxes on properties transferred from private to non-profit ownership for the purposes of affordable housing.
4. Enhance tenant protections including the strengthening of rental controls, abolishing vacancy decontrol and above guideline rent increase.

Federal

1. Develop a 'vendor tax credit' to reduce capital gains on investment rental properties transferred to non-profit owners.
2. Create tax credits, such as a 'Canadian Low Income Housing Tax Credit' that supports the private financing (at lower interest rate) of multifamily rental acquisitions by non-profits and/or the redevelopment of those properties.
3. Remove pass-through taxation exemption for financial vehicles investing in existing multifamily rental buildings.



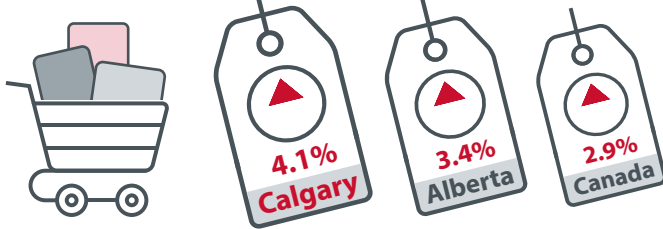
**Housing Assessment
Resource Tools
(HART)**

hart.ubc.ca



Headline Inflation Comparison

January 2024

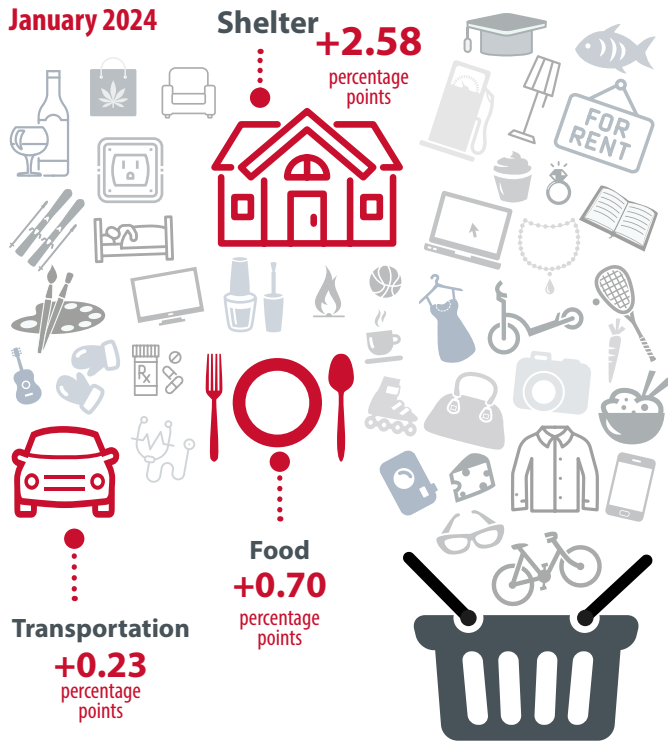


Annual headline inflation rises to 4.1 per cent in Calgary, while national rate slows to 2.9 per cent in January 2024

In January 2024, the Consumer Price Index (CPI) for the Calgary Census Metropolitan Area (CMA) increased to 4.1 per cent year-over-year (YoY), up from 3.9 per cent in December. In Alberta, inflation rose from 3.0 per cent in December to 3.4 per cent in January. Conversely, at the national level, the CPI slowed to 2.9 per cent, down from December's 3.4 per cent, primarily due to lower gasoline prices resulting from a baseline effect, as gasoline prices spiked in January 2023 following refinery shut-downs in the U.S. Core inflation, which excludes volatile items such as food and energy, saw decreases in both Alberta and Canada, dropping to 2.8 per cent and 3.1 per cent from December's 3.0 per cent and 3.4 per cent, respectively. Continuing the trend from 2023, persistent inflationary pressures in shelter costs have been the main driving force. Combined with high service costs, these factors are expected to maintain an overall inflation rate of around 3.0 per cent through the first half of 2024, above the Bank of Canada's target rate of 2.0 per cent as detailed in its January Monetary Policy Report.

Major Contributors to Alberta's Inflation Rate

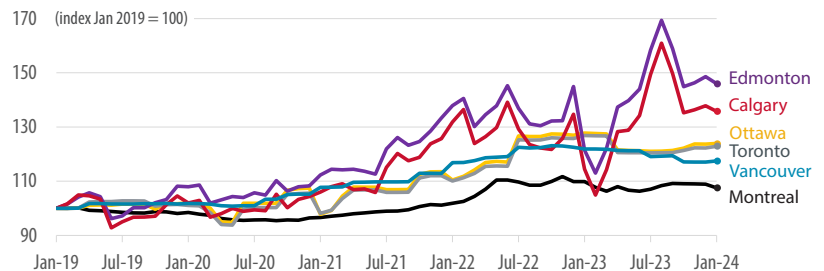
January 2024



New policies in 2024 start to impact Alberta's inflation

As the first data for 2024 unfolds, we are starting to see the impacts of the new policies on inflation. Notably, the Alberta government reinstated the gasoline fuel tax, which had been previously suspended since 2022 due to elevated energy costs. This has prompted a surge in gasoline prices in Alberta by 1.6 per cent compared to December 2023, despite a 3.3 per cent YoY decrease. Alberta experienced the highest month-over-month (MoM) gasoline price hike in Canada, in contrast to Manitoba, which saw the lowest MoM price changes of minus 14.1 per cent in gasoline after eliminating its fuel tax starting in 2024. New policies by many levels of government, including increased carbon taxes, and the upcoming federal alcohol tax increase set for April, are expected to further impact the costs of living throughout 2024.

Comparison of water, fuel and electricity (Jan 2019 - Jan 2024)



Inflation Rates

	Relative Importance (%) *	Year-over-year (%)		
		Jan-24	Dec-23	Nov-23
Calgary: All-items	100.00	4.1	3.9	2.9
Shelter	25.89	12.2	10.2	9.6
Rented accommodation	5.91	14.4	18.4	10.8
Owned accommodation	16.14	9.5	9.6	9.6
Water, fuel and electricity	3.85	18.6	2.3	8.4
Alberta: All-items	100.00	3.4	3.0	2.5
Alberta: All-items excluding food and energy	76.10	2.8	3.0	2.5
Canada: All-items	100.00	2.9	3.4	3.1
Canada: All-items excluding food and energy	76.57	3.1	3.4	3.5

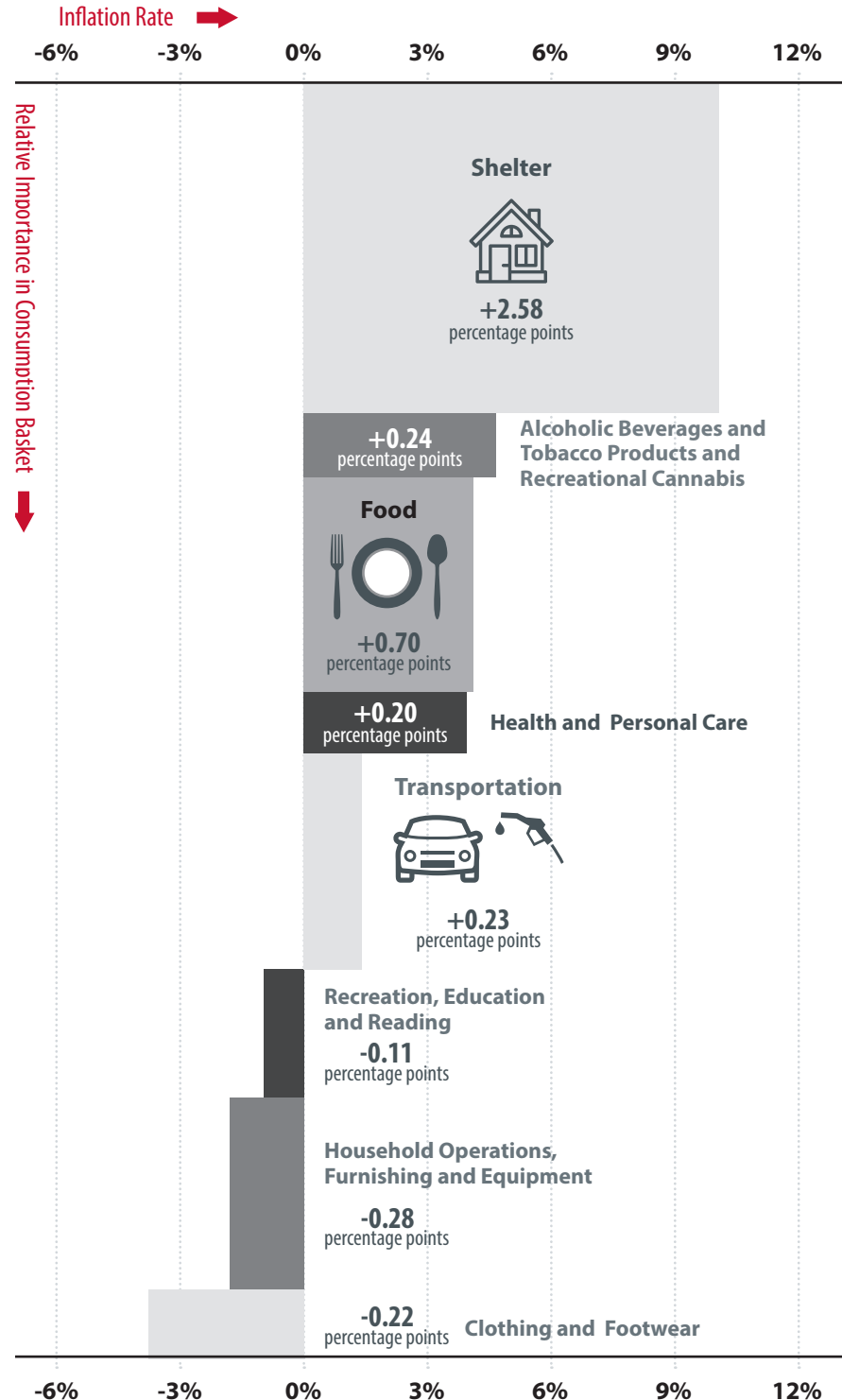
Rising utility costs drive Calgary's inflation amid cold snaps in January

Amid cold snaps across Alberta that resulted in Energy Emergency Alerts nearly leading to blackouts, electricity prices have soared. According to CPI data, electricity costs in Alberta have experienced a 119.9 per cent YoY increase, the highest in the nation. In fact, Alberta's utility cost inflation has been distinctly high in recent years, as illustrated in the chart. The rise can be attributed to higher energy prices, the oligopoly among Alberta electricity generators, government policies such as the end of rebates and the transfer of deferred loan costs to consumers. These spikes in utility costs, combined with unprecedentedly high rental prices, have positioned Calgary's inflation as the highest among major Canadian metropolitan areas.

* CPI basket weights are based on the 2022 expenditure data, modified in June 2023.

Sources: Statistics Canada, Corporate Economics, February 20, 2024.

Contribution of Consumer Items to Inflation: Alberta January 2024



The calculation for contribution incorporates the effects of changes in basket weight. The total contribution of each product component may not exactly add up to the overall inflation figure due to rounding.

Sources: Statistics Canada, Corporate Economics, February 20, 2024.

Next release: March 19, 2024

Who We Are

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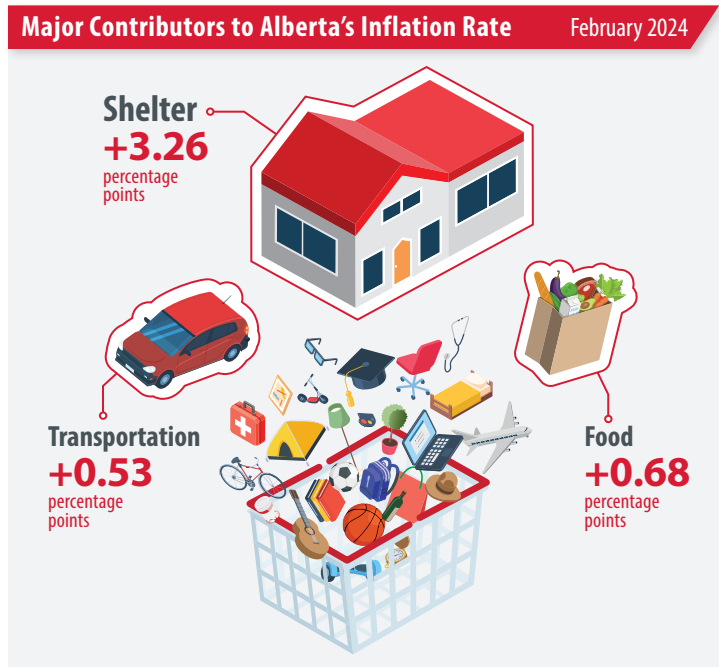
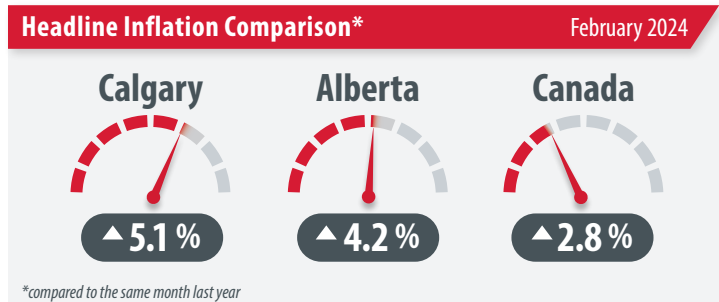
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Sources:

Bank of Canada, Statistics Canada, Corporate Economics.

HIGHLIGHTS

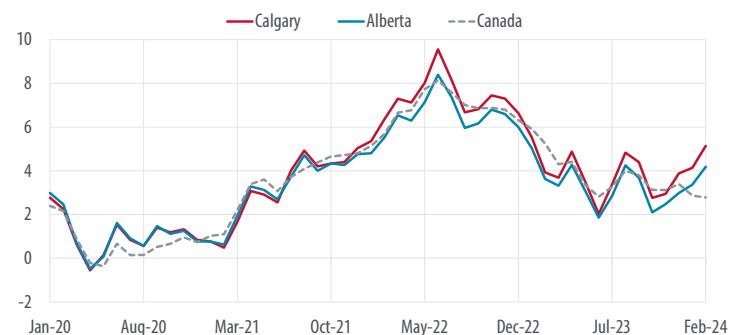


Calgary's inflation rose to 5.1 per cent in Calgary, while the national inflation further slowed to 2.8 per cent in February 2024.

In February 2024, the Consumer Price Index (CPI) for the Calgary Census Metropolitan Area (CMA) experienced a year-over-year (YoY) increase of 5.1 per cent, up from 4.1 per cent in January. This marks the fifth consecutive acceleration in the inflation rate for Calgary since October 2023. This is primarily driven by significant rent inflation, detailed below. Another contributing factor is the base year effect related to utility costs, which rose 35.1 per cent YoY. Alberta's energy rebate program from 2023, which is no longer in effect, resulted in comparatively low utility prices for the base year (February 2023). These factors have made Calgary's inflation rate the highest in the nation for two consecutive months.

Similarly, Alberta's inflation rate was at 4.2 per cent, up from 3.4 per cent in January. Shelter costs, including utilities, were the major contributors to Alberta's inflation, accounting for approximately 3.3 per cent of the overall inflation rate. The Government of Alberta forecasts an average inflation rate of 2.5 per cent for 2024 according to the budget released on February 29th, 2024. Meanwhile, Canada's national inflation rate dropped to 2.8 per cent, from January's 2.9 per cent. This is the first time Canada's inflation rate came below 3 per cent for two consecutive months since March 2021. This is primarily attributed to a decline in cellular and internet service costs as well as a deceleration in food cost inflation. Core inflation, which excludes volatile items such as food and energy, in Alberta increased to 2.9 per cent from 2.8 per cent in January whereas it eased to 2.8 per cent from January's 3.1 per cent for Canada.

Year-over-year Inflation Rates in Calgary, Alberta, and Canada (Jan 2020 - Feb 2024)



Inflation Rates

	Relative Importance (%)*	Year-over-year (%)		
		Feb-24	Jan-24	Dec-23
Calgary: All items	100.00	5.1	4.1	3.9
Shelter	25.89	14.8	12.2	10.2
Rented accommodation	5.91	15.3	14.4	18.4
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Water, fuel and electricity	3.85	35.1	18.6	2.3
Alberta: All items	100.00	4.2	3.4	3.0
Alberta: All-items excluding food and energy	76.10	2.9	2.8	3.0
Canada: All items	100.00	2.8	2.9	3.4
Canada: All-items excluding food and energy	76.57	2.8	3.1	3.4

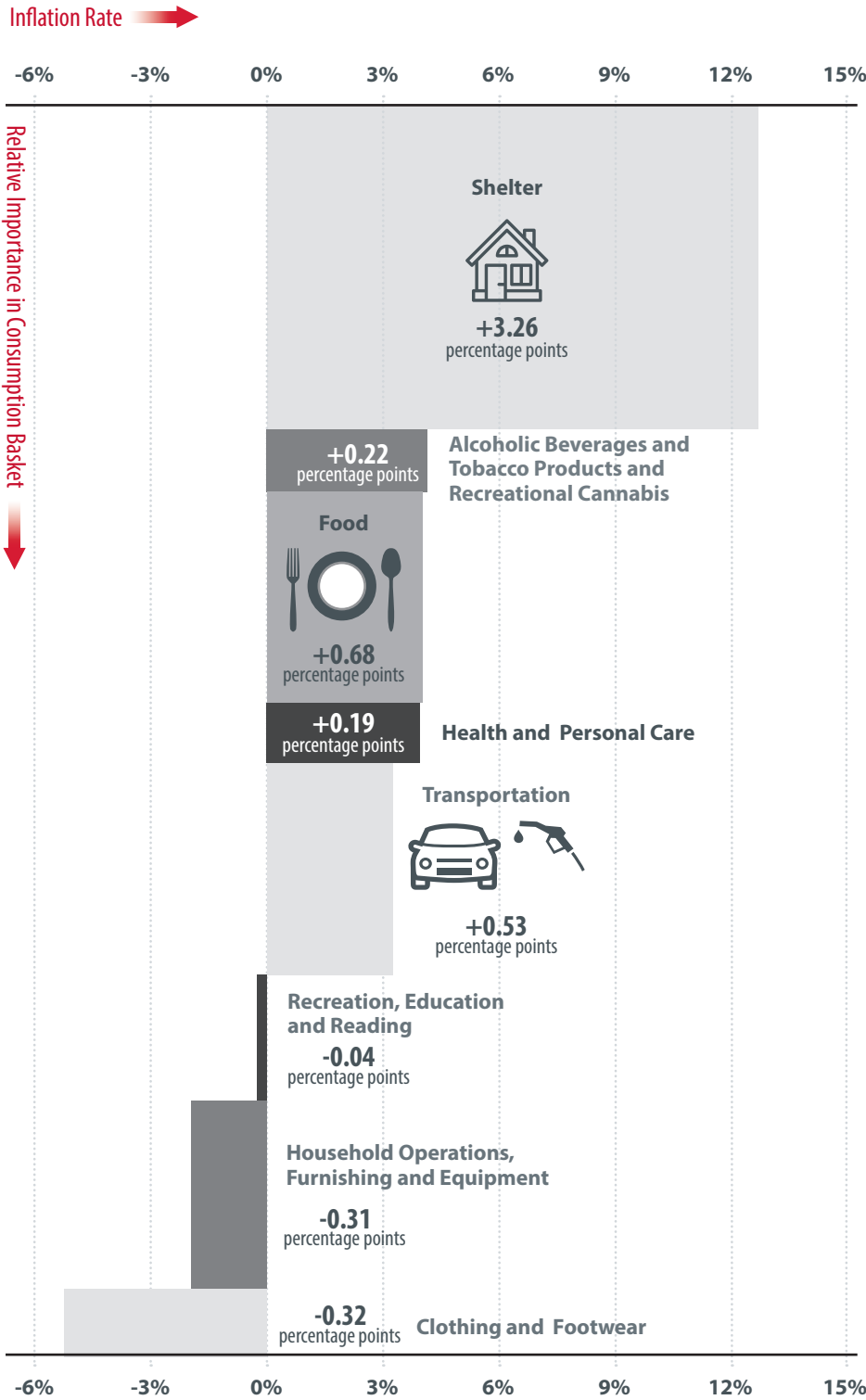
* CPI basket weights are based on the 2022 expenditure data, modified in June 2023. Sources: Statistics Canada, Corporate Economics, March 19, 2024.

Calgary's rent costs escalated by 15.3 per cent, marking the fifth consecutive month of double-digit growth.

In February 2024, the cost of renting in Calgary rose by 15.3 per cent from February 2023, marking the fifth consecutive month of double-digit increases in rental costs since October 2023. This includes an 18.4 per cent year-over-year increase in December 2023, the highest on record. Calgary last experienced such a prolonged period of double-digit rent inflation from November 1980 to December 1982, when inflation rates remained above 10 per cent for over 26 consecutive months, with an average of 13.7 per cent. Calgary's rental inflation rate has been the highest in the nation for three straight months, even outpacing Halifax, which has also faced significant rent increases due to high population growth and limited increase in supply. The persistent rise in shelter costs, particularly for rent, will continue to impact the cost of living in Calgary, especially for young people, newcomers to Canada, and low-income households who tend to rely on rental housing.

Contribution of Consumer Items to Inflation: Alberta

February 2024



The calculation for contribution incorporates the effects of changes in basket weight. The total contribution of each product component may not exactly add up to the overall inflation figure due to rounding.

Sources: Statistics Canada, Corporate Economics, March 19, 2024.

Next release: April 16, 2024

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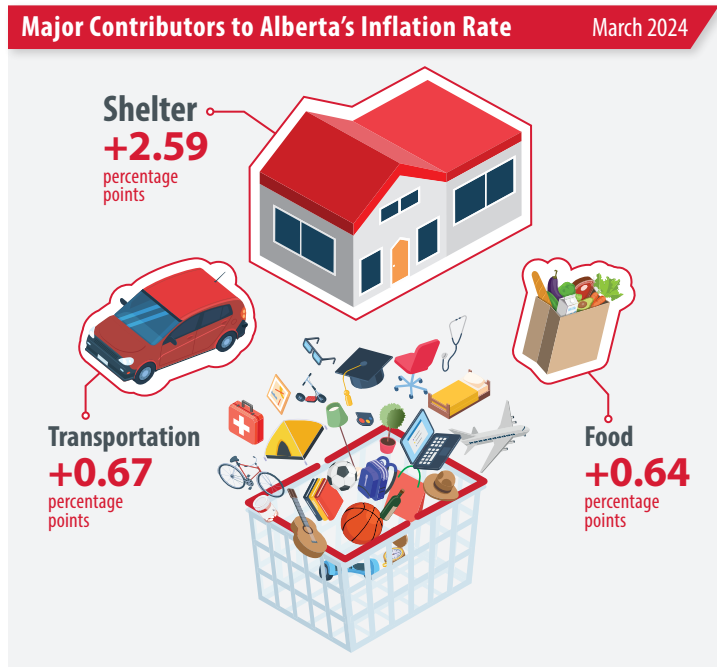
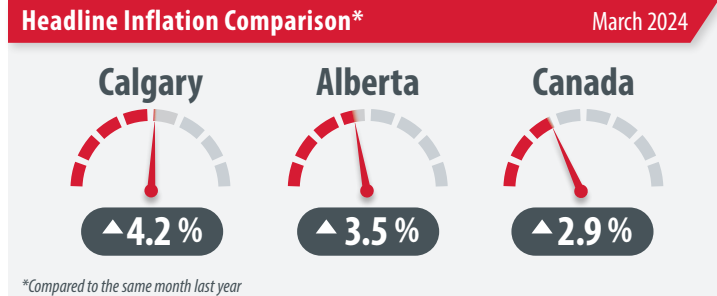
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Sources:
Bank of Canada, Statistics Canada, Corporate Economics.

HIGHLIGHTS



Calgary's inflation eased to 4.2 per cent, while national inflation rose to 2.9 per cent in March 2024

In March 2024, the Consumer Price Index (CPI) for the Calgary Census Metropolitan Area (CMA) increased by 4.2 per cent year-over-year (YoY), a considerable drop from 5.1 per cent in February 2024. This is the first deceleration seen in Calgary's overall inflation since last October. The base year effect on electricity costs from Alberta's 2023 energy rebate program moderated this month as a result of the rebate reduction from \$75 to \$25 from February to March 2023. Meanwhile, rent costs increased by 17.7 per cent, marking the sixth consecutive month of growth exceeding 10 per cent since October 2023. In fact, this increase is the highest recorded for the month of March in both Calgary and all the other CMAs.

Similarly, the inflation rate for Alberta subsided to 3.5 per cent from February's 4.2 per cent. The main drivers of Alberta's inflation were higher shelter costs (+10.1 per cent YoY) as well as transportation costs (+4.0 per cent), led by high gasoline prices (+10.4 per cent). On the other hand, Canada's national inflation rate stood at 2.9 per cent, a slight increase from February's 2.8 per cent. The national inflation rate remained below 3 per cent for the third consecutive month. Bank of Canada decided to hold its policy rates at 5.0 per cent in both March and April meetings. Bank of Canada forecasts 2024's average inflation to be 2.6 per cent, according to its [April Monetary Policy Report](#). Core inflation, which excludes volatile items such as food and energy, in Alberta, fell to 2.5 per cent from 2.9 per cent in February, whereas it increased to 2.9 per cent from 2.8 per cent for Canada.

Food inflation is slowing, yet weather-related events drive up costs for certain items

The food inflation in Alberta is steadily easing. Since 2022, inflation in food costs has remained higher than the overall inflation rate, driven by high energy costs resulting from the Russian invasion of Ukraine and supply chain interruptions caused by the pandemic. In Alberta, annual food inflation in March 2024 marked 3.8 per cent, a considerable improvement from 8.4 per cent recorded in March 2023. As the inflation for food normalizes, certain items are now finally cheaper than in the previous year for the first time since 2020. For instance, the prices of eggs and butter have decreased by 0.5 per cent and 2.5 per cent, respectively, compared to March 2023, marking the first YoY decline since the winter of 2019. Other items, including nuts and seeds, as well as whole milk, were 1.0 per cent and 0.4 per cent cheaper nationally, respectively.

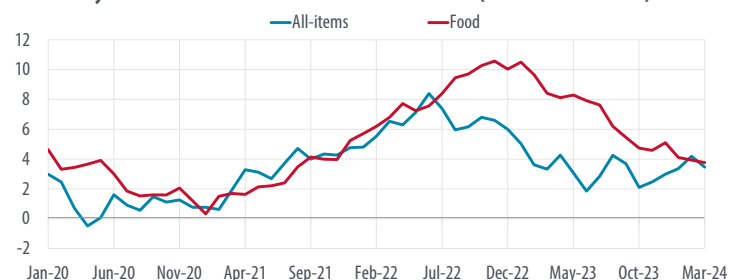
However, the El Niño and related weather conditions have led to supply constraints, pushing prices upwards for certain items. Droughts and extreme weather have resulted in poor yields for olives in the Mediterranean regions, Robusta coffee in Southeast Asian countries, and cocoa in West African countries like Ghana and Ivory Coast, coupled with diseases affecting these crops. The prices for these items have reached record highs in the commodity market. The potential for a price surge builds further on the ongoing inflation observed since the onset of the pandemic (e.g., 33.4 per cent increase for roasted or ground coffee since January 2020). Additionally, droughts in North America are expected to maintain high beef prices, which increased 9.7 per cent YoY in March 2024 in Alberta. The global supply chain challenges, exacerbated by extreme weather conditions, will continue to contribute to cost-push inflation.

Inflation Rates

	Relative Importance (%)*	Year-over-year (%)		
		Mar-24	Feb-24	Jan-24
Calgary: All-items	100.00	4.2	5.1	4.1
Shelter	25.89	12.0	14.8	12.2
Rented accommodation	5.91	17.7	15.3	14.4
Owned accommodation	16.14	9.3	9.6	9.5
Water, fuel and electricity	3.85	13.8	35.1	18.6
Alberta: All-items	100.00	3.5	4.2	3.4
Alberta: All-items excluding food and energy	76.10	2.5	2.9	2.8
Canada: All-items	100.00	2.9	2.8	2.9
Canada: All-items excluding food and energy	76.57	2.9	2.8	3.1

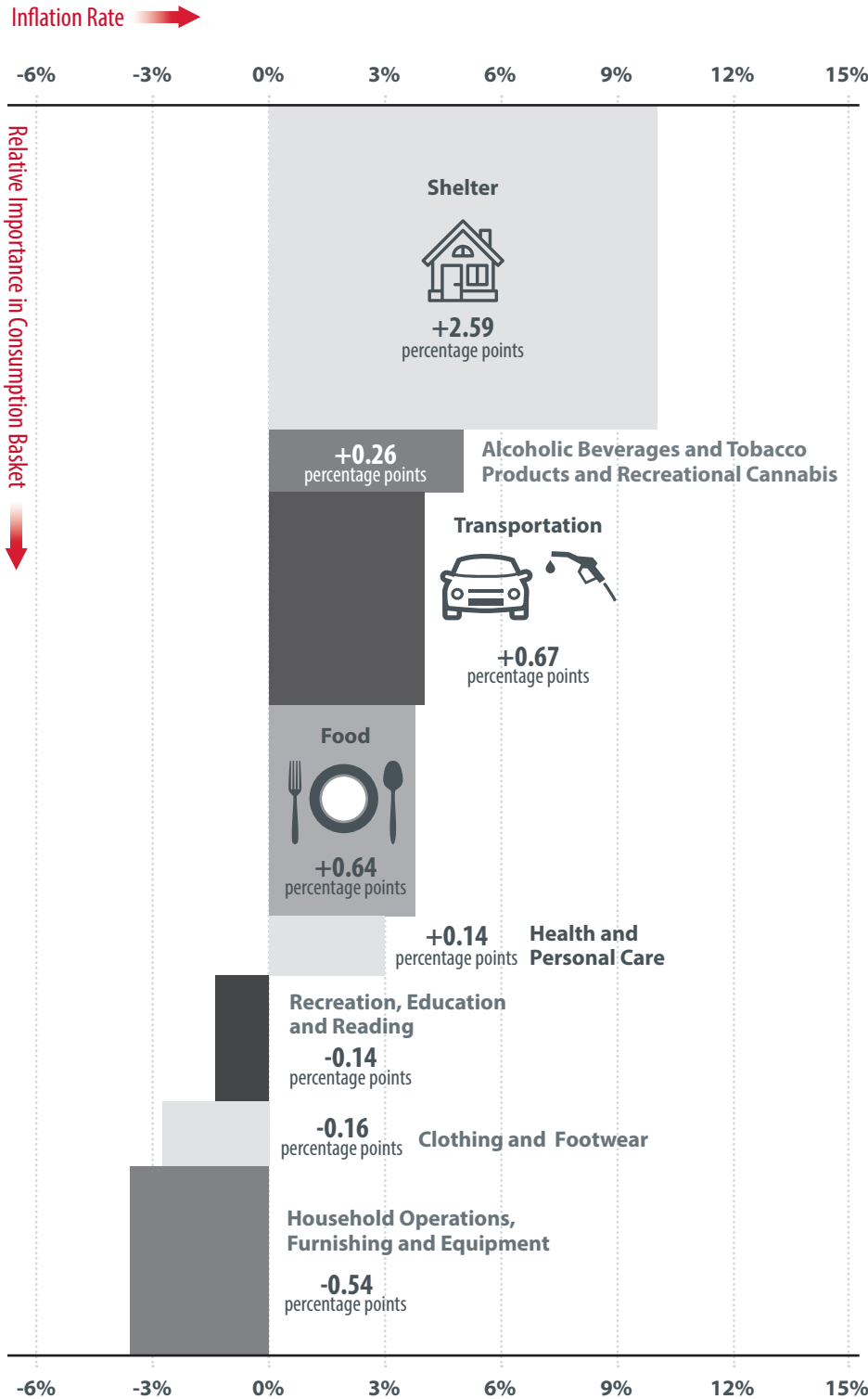
* CPI basket weights are based on the 2022 expenditure data, modified in June 2023. Sources: Statistics Canada, Corporate Economics, April 16, 2024.

Year-over-year Overall and Food Inflation Rates in Alberta (Jan 2020 - Mar 2024)



Contribution of Consumer Items to Inflation: Alberta

March 2024



The calculation for contribution incorporates the effects of changes in basket weight. The total contribution of each product component may not exactly add up to the overall inflation figure due to rounding.

Sources: Statistics Canada, Corporate Economics, April 16, 2024.

Next release: May 21, 2024

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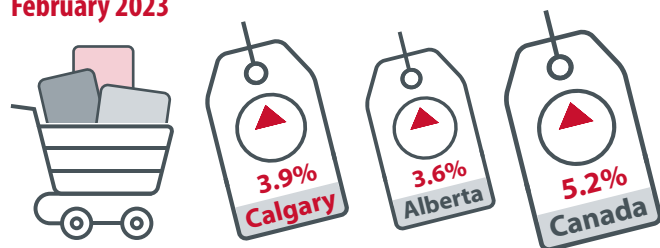
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Sources:
 Bank of Canada, Statistics Canada,
 Corporate Economics.

Headline Inflation Comparison

February 2023



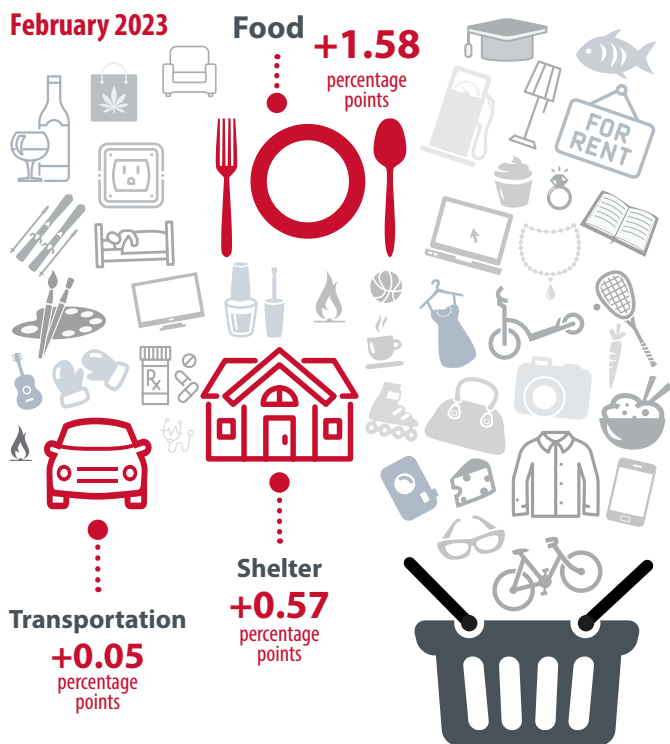
Year-over-year inflation in Calgary eases for fifth consecutive month

In February 2023, the headline consumer price index (CPI) in the Calgary Census Metropolitan Area (CMA) increased by 3.9 per cent over the previous twelve months. This marked the fifth consecutive month of decelerating inflation in Calgary. February's inflation was the lowest in Calgary since June 2021 as the rate crept closer to its typical range of 1 to 3 per cent.

Base effects also began to play a significant role in the declining year-over-year inflation rate in February. The effects of the Russian invasion of Ukraine and spiking energy prices began appearing in the CPI in February 2022. It effectively 'rebased' the consumer price index to a higher level in February 2022. Since prices continued to rise rapidly between February 2022 and June 2022, base year effects should continue contributing to declining inflation rates over the next few months.

Major Contributors to Alberta's Inflation Rate

February 2023



While food price inflation remains high, falling energy costs drive down inflation in Alberta

Alberta's year-over-year CPI inflation rate for February dropped to 3.6 per cent: lower than the rate for the Calgary CMA. The inflation rate for Canada, at 5.2 per cent, was higher than in Alberta or Calgary.

Despite improvements overall, food price inflation in Alberta did not slow much in February 2023. Food prices rose by 9.7 per cent, year-over-year. Global and local supply issues that impact the price of food remained in effect in February.

Inflation for shelter costs dropped to a 2.2 per cent year-over-year rate in Alberta. While the cost of owned accommodation was still up by 9.3 per cent, utility costs declined by 21.8 per cent. Lower natural gas prices and the provincial government's \$75 rebate program for electricity were key factors in February.

Transportation inflation was also down significantly in Alberta, increasing by only 0.3 per cent year-over-year. As recently as June 2022, transportation inflation had reached 16.9 per cent. A significant drop in global oil prices and gasoline prices since that time have contributed to a dramatic deceleration in inflation. In February, gasoline prices fell by 13.3 per cent year-over-year.

Year-over-year price increases occurred across all major categories in Alberta. However, prices for a few individual items across various categories have decreased since February 2022. These include electricity, child care and house-keeping services, and gasoline.

Inflation Rates

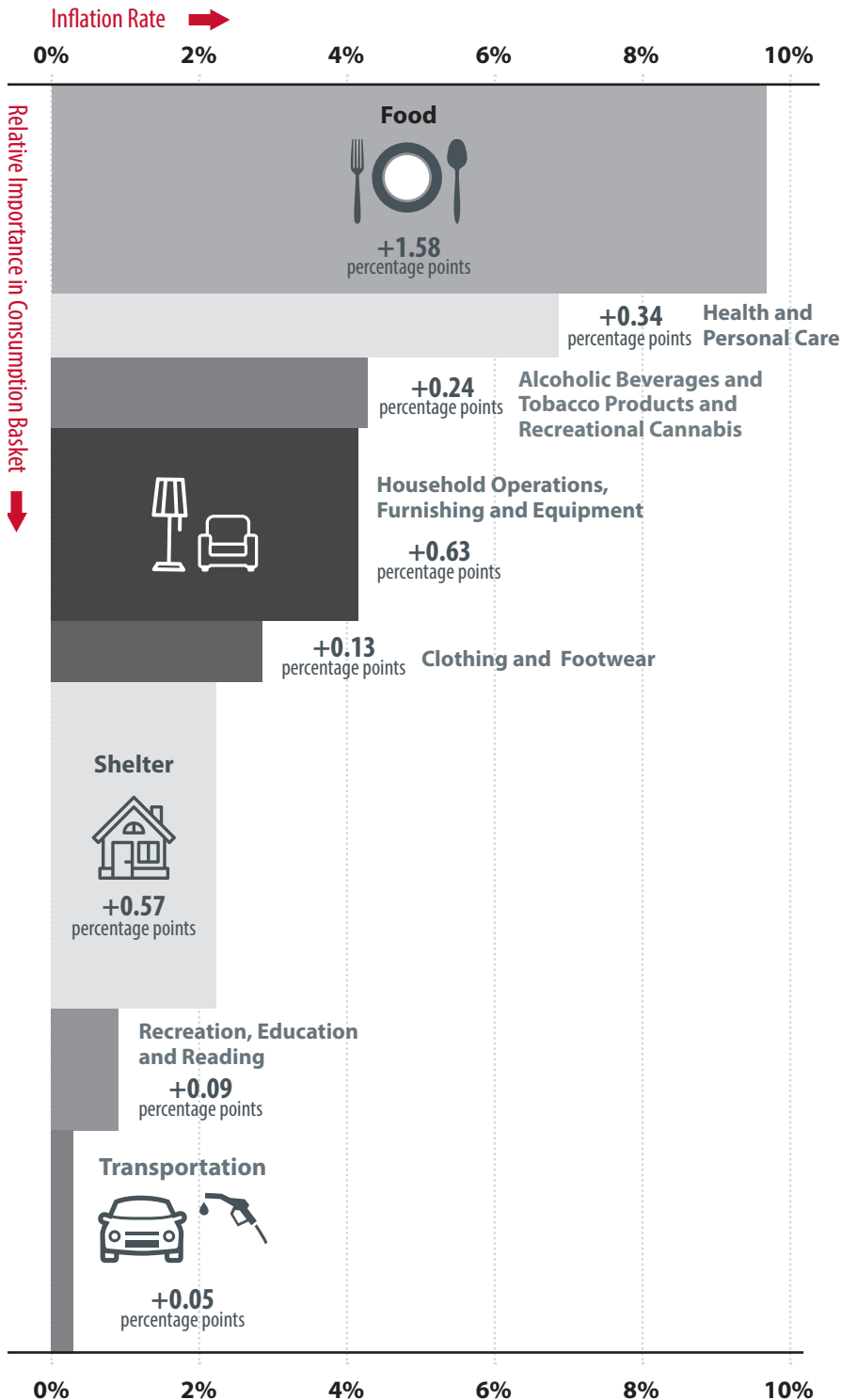
	Relative Importance (%) [*]	Year-over-year (%)			Year-to-Date Average (%)
		Feb-23	Jan-23	Dec-22	
Calgary: All-items	100.00	3.9	5.5	6.6	4.7
Shelter	25.77	3.4	6.1	9.5	4.8
Rented accommodation	5.81	5.4	6.9	5.3	6.1
Owned accommodation	15.83	12.3	12.7	11.8	12.5
Water, fuel and electricity	4.14	-23.1	-13.2	7.2	-18.2
Alberta: All-items	100.00	3.6	5.0	6.0	4.3
Alberta: All-items excluding food and energy	75.90	4.8	5.5	5.7	5.2
Canada: All-items	100.00	5.2	5.9	6.3	5.6
Canada: All-items excluding food and energy	76.65	4.8	4.9	5.3	4.9

^{*} CPI basket weights are based on the 2021 expenditure data, modified on December 2022.

Sources: Statistics Canada, Corporate Economics, March 21, 2023.

Contribution of Consumer Items to Inflation: Alberta

February 2023



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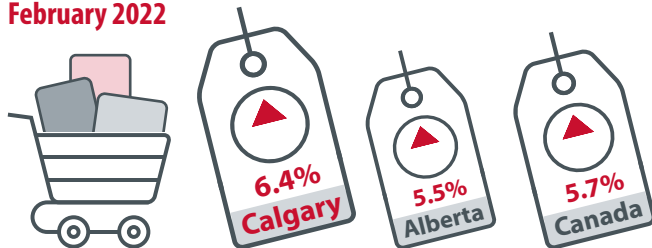
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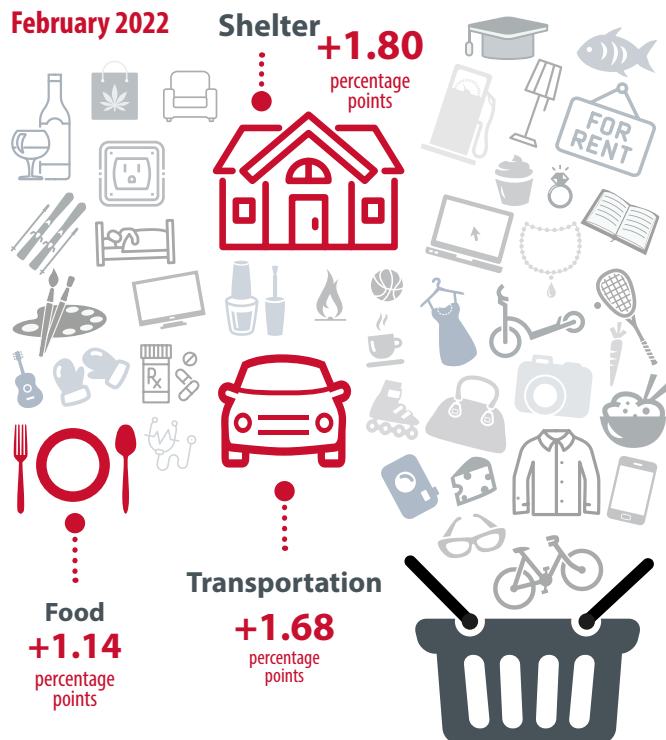
Headline Inflation Comparison

February 2022



Major Contributors to Alberta's Inflation Rate

February 2022



Inflation in the Calgary Metropolitan Area Grows Even Higher

In February 2022, the headline consumer price index (CPI) in the Calgary Census Metropolitan Area (CMA) increased by 1.2 per cent from January 2022 and by 6.4 per cent over the previous twelve months. February's inflation rate outpaced the 5.4 per cent rate reached in January, again representing a 14-year high.

Increasing demand for products, global supply chain disruptions, and surging energy prices have led to increasingly high inflation for the past several months. However, following the Russian invasion of Ukraine beginning on February 24, economic sanctions against Russia and the disruption of Ukrainian production caused sharp price increases in many commodities, including crude oil and many agricultural products. Since these events occurred late in the month, their impacts are only partially reflected in February's inflation rate.

In February 2022, the cost of shelter in the CMA increased by 1.8 per cent since January 2022 and posted a 9.1 per cent year-over-year increase.

Price Inflation Spans All Categories in Alberta

Alberta reported year-over-year CPI inflation of 5.5 per cent in February, slightly less than Canada's 5.7 per cent inflation rate.

The greatest contributor to inflation in Alberta in February was shelter, surpassing the also high contribution of transportation. Shelter costs contributed 1.8 percentage points to total inflation in February, led by large increases in prices for utilities. Natural gas had the highest price increase of all products in February, with prices increasing by 40.6 per cent. Electricity prices were not far behind with a 38.6 per cent increase. In addition, the homeowners' replacement cost, linked to the price of new homes, increased by 15.2 per cent since February 2021.

The next largest contributor to Alberta's February inflation was transportation, contributing 1.68 percentage points to total inflation. Gasoline prices, tied to surging global oil prices, increased by 30.1 per cent.

The contribution of food prices to Alberta's inflation grew further in February, with food contributing 1.14 percentage points. Significant price increases were seen in items such as edible fats and oils as well as meat products such as beef and pork.

Year-over-year price increases were observed in all product groups in February. However, a few individual items still posted price decreases, such as telephone services, children's clothing, and recreational cannabis.

Inflation Rates

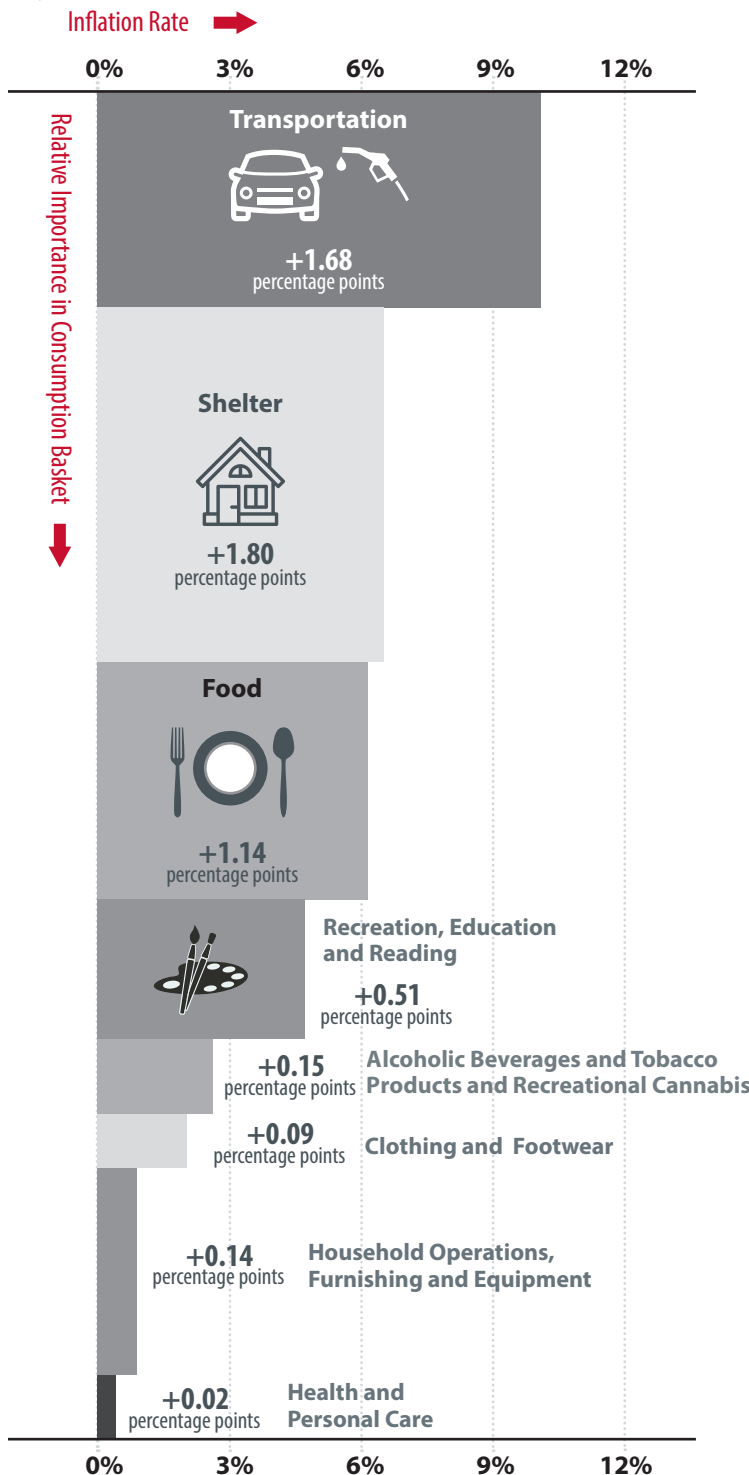
	Relative Importance (%) *	Year-over-year (%)			Year-to-Date (%)
		Feb-22	Jan-22	Dec-21	
Calgary: All-items	100.00	6.4	5.4	5.0	5.9
Shelter	26.35	9.1	7.1	5.6	8.1
Rented accommodation	5.77	7.4	3.0	0.2	5.2
Owned accommodation	16.55	4.4	3.2	3.1	3.8
Water, fuel and electricity	4.03	26.4	24.4	20.4	25.4
Alberta: All-items	100.00	5.5	4.8	4.8	5.2
Alberta: All-items excluding food and energy	75.72	3.1	2.3	2.3	2.7
Canada: All-Items	100.00	5.7	5.1	4.8	5.4
Canada: All-items excluding food and energy	77.06	3.9	3.5	3.4	3.7

* CPI basket weights are based on the 2020 expenditure data, modified on June 2021.

Sources: Statistics Canada, Corporate Economics, March 16, 2022.

Contribution of Consumer Items to Inflation: Alberta

February 2022



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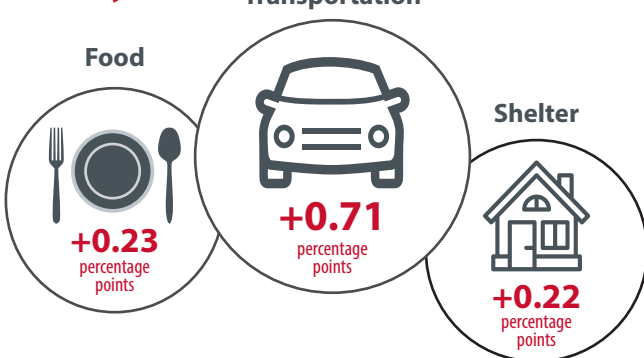
Headline Inflation Comparison

February 2021



Major Contributors to Alberta's Inflation Rate

February 2021



CPI Inflation in the Calgary Census Metropolitan Area

The headline consumer price index (CPI) in the Calgary Census Metropolitan Area (CMA) rose by 0.3 per cent from January of 2021. Over the past twelve months, Calgary's CPI increased by 0.5 per cent.

Inflation pressures were higher in January than in February. As economies continue to relax health-related pandemic measures related to COVID-19 and its variants, global demand increases for energy should contribute to consumer price inflation pressures worldwide.

In February, the cost of shelter increased by -0.11 per cent from a month ago and rose by 0.8 per cent from February of 2020.

External Inflation Conditions and Contributing Factors in Alberta

The major contributor to the February 2021 inflation in Alberta was the cost of transportation. It added a 0.7 percentage point to total inflation, higher than the January contribution to total inflation in 2021.

The second-largest contributor to inflation in February was food and shelter. It added 0.5 percentage points to last month's total inflation, an increase from its contribution in January.

The most significant off-setting factor to the February inflation was clothing and footwear. It contributed -0.4 percentage points to the total inflation, an increase from its contribution in January 2021.

The three largest inflation ticket-items in Alberta in February 2021 were gasoline, natural gas prices and homeowners' home and mortgage insurance. The least three inflation ticket-items were Recreational cannabis, Traveller accommodation and Telephone services, caused by lower demand for those services from border travel restrictions and restricted social activities.

CPI for Alberta and Canada in February 2021 rose by 0.6 and 1.1 per cent, respectively, from February 2020.

Inflation Rates

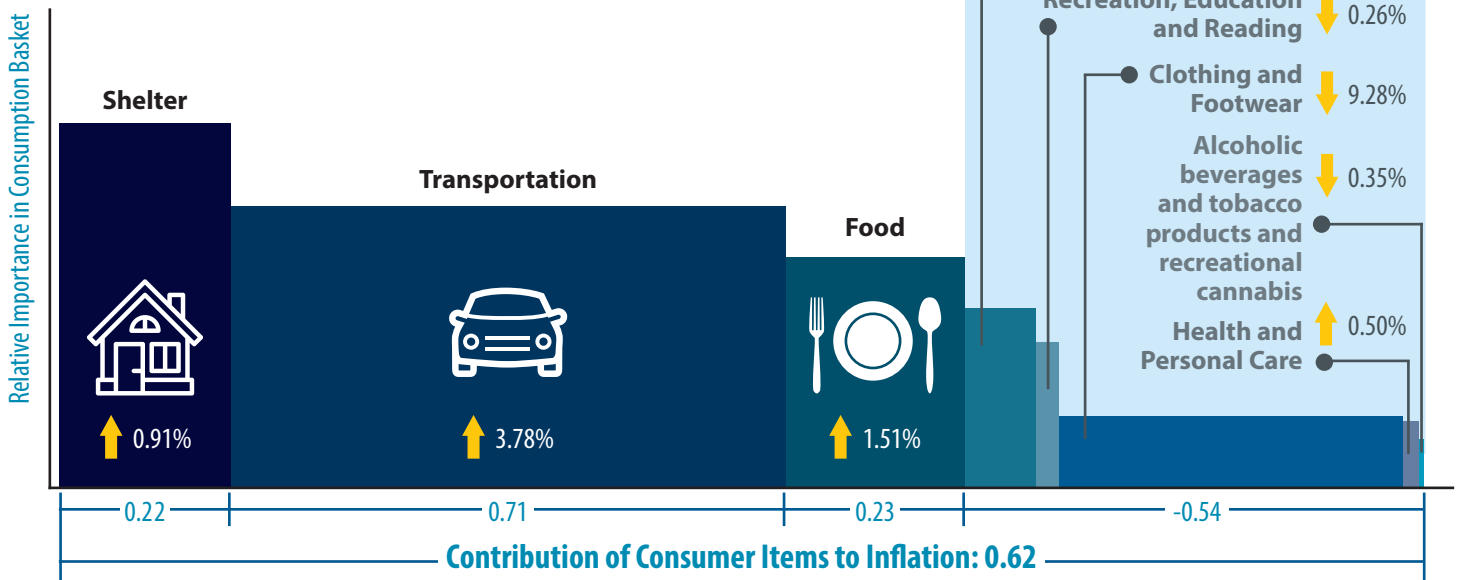
	Relative Importance (%) *	Year-over-year (%)			Year-to-Date (%)		
		Feb-21	Jan-21	Dec-20	Feb-21	Jan-21	Dec-20
Calgary: All-items	100.00	0.5	0.8	0.8	0.8	0.6	0.8
Shelter	26.26	0.8	1.0	1.0	-0.5	-0.3	1.0
Rented accommodation	5.68	-2.2	-0.6	2.3	-4.5	-2.7	2.3
Owned accommodation	15.48	0.6	0.7	0.9	-0.3	-0.1	0.9
Water, fuel and electricity	5.09	4.9	3.9	-0.2	3.5	1.6	-0.2
Alberta: All-items	100.00	0.6	0.8	0.8	1.1	0.7	0.8
Alberta: All-items excluding food and energy	76.28	-0.4	0.6	0.8	0.2	0.3	0.8
Canada: All-items	100.00	1.1	1.0	0.7	1.1	0.6	0.7
Canada: All-items excluding food and energy	77.01	0.8	1.4	1.1	0.7	0.5	1.1

* CPI basket weights are based on the 2017 Survey of Household Spending, modified on February 2019.

Starting from February 2021, we are no longer providing the 12-month-moving averages for CPI except for end of year. We have decided to use Alberta CPI categories rather than estimates of Calgary CMA CPI categories to highlight contributions from the 8 major categories of CPI. Statistics Canada only publicly provides the shelter category with three sub-categories for Calgary CMA.

Sources: Statistics Canada, Corporate Economics, March 17, 2021.

Contribution of Consumer Items to Inflation: Alberta February 2021



Starting from February 2021, we are only going to report on the Alberta CPI categories which Statistics Canada provides.

Sources: Statistics Canada, Corporate Economics, March 17, 2021

Next release: April 21, 2021

Glossary:

Headline Inflation: This is the inflation rate measured using all components of the consumer basket of goods and services.

Core Inflation: This is the inflation rate after excluding food and transportation from the consumer basket of goods and services.

Overnight Rate: The interest rate the Bank of Canada charges commercial banks to borrow money.

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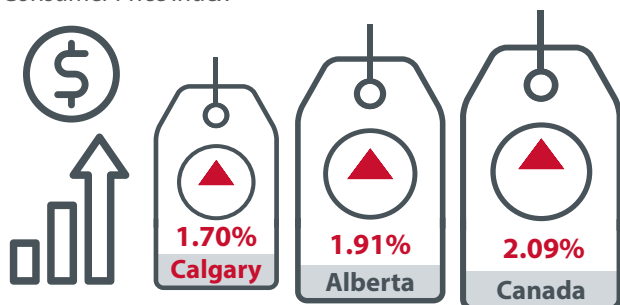
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Sources: Statistics Canada, Bank of Canada, Corporate Economics

February 2020 Headline Inflation

Comparison is based on 12-month-moving-average of the Consumer Price Index



Major Contributors to Calgary's Inflation Rate

February 2020



Calgary and Local Conditions Contributing to Inflation

In February 2020, the Consumer Price Index (CPI) increased by 1.7 per cent from February 2019. These estimates reflect the twelve-month moving average that smoothens typically lumpy monthly data updates.

Monthly inflation pressure was higher in February 2020 than it was in January 2020. Specifically, the CPI was already higher by 0.42 per cent this year compared to 0.14 per cent after two months last year.

The major contributor to the February 2020 annual inflation rate was the cost of food and shelter. It added 1.07 percentage points to the inflation rate. The contribution of food and shelter costs to inflation was higher in February this year compared to the same period a year ago. At the same time last year, it contributed 0.84 percentage points to the annual inflation rate.

The second significant contributor to inflation was transportation. It added 0.34 percentage points to the February 2020 annual inflation rate. The contribution of transportation costs to the February 2019 annual inflation rate was 1.07 percentage points. The main reason for lower transportation costs in February 2020 was the fall in the cost of gasoline.

Excluding the contribution of transportation, food and shelter costs, the annual average CPI was higher by 0.29 percentage points in February 2020 compared to 0.33 percentage points in February 2019.

The COVID-19 outbreak and the global oil supply glut would contribute to lower energy prices going forward. The impact of lower energy prices would oppose the upward pressure on inflation from disruptions in the goods sector supply chain. The full effects on the CPI would manifest in the coming months.

Inflation Rates

	Relative Importance (%)*	Year-over-year (12-MMA, %)			Year-to-Date (12-MMA, %)		
		Feb-20	Jan-20	Dec-19	Feb-20	Jan-20	Dec-19
Calgary: All-items	100.00	1.70	1.63	1.42	0.42	0.28	1.42
Calgary: All-items excluding food and energy	76.28	1.67	1.60	1.53	0.36	0.22	1.53
Food	16.59	3.59	3.60	3.39	0.60	0.33	3.39
Shelter	26.26	1.77	1.95	2.08	0.17	0.12	2.08
Rented accommodation	5.68	-0.08	0.24	0.56	-0.24	-0.16	0.56
Owned accommodation	15.48	2.01	2.02	2.02	0.26	0.10	2.02
Water, fuel and electricity	5.09	3.21	3.63	3.84	0.26	0.19	3.84
Household operations, furnishing and equipment	12.93	-0.08	0.08	0.24	-0.16	-0.08	0.24
Clothing and footwear	5.15	2.17	1.55	0.93	1.23	0.62	0.93
Transportation	20.28	1.67	1.39	0.91	0.76	0.41	0.91
Gasoline	3.26	-10.23	-10.51	-11.87	0.25	0.43	-11.87
Health and personal care	4.81	1.24	1.10	0.95	0.29	0.14	0.95
Recreation, education and reading	10.49	0.87	0.61	0.61	0.17	0.00	0.61
Alcoholic beverages, tobacco products and recreational cannabis	3.48	0.58	0.76	1.00	0.00	0.00	1.00
Alberta: All-items	100.00	1.91	1.85	1.78	0.42	0.21	1.78
Alberta: All-items excluding food and energy	76.28	1.97	1.82	1.82	0.36	0.14	1.82
Canada: All-items	100.00	2.09	2.10	1.95	0.37	0.22	1.95
Canada: All-items excluding food and energy	77.01	2.03	2.03	2.03	0.31	0.15	2.03

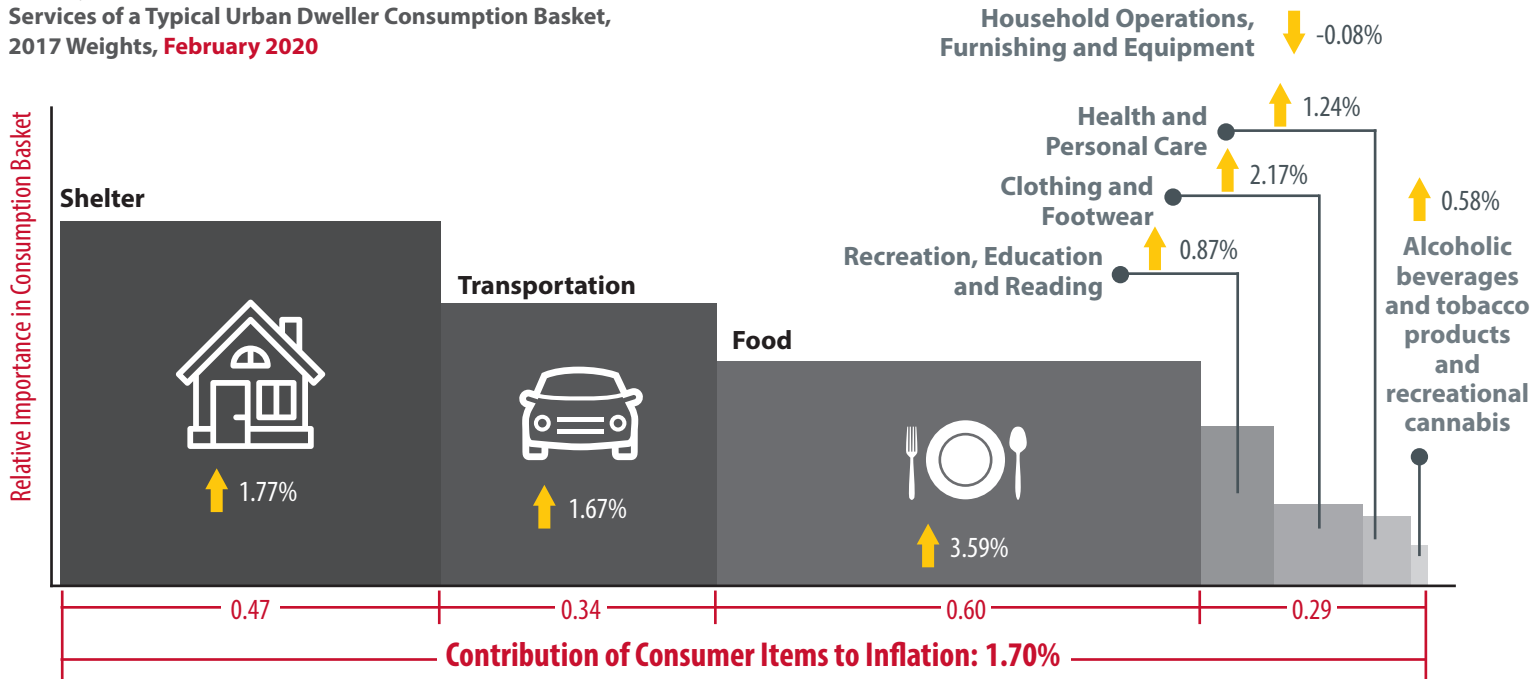
External Inflation Conditions and Contributing Factors

For February 2020, the Alberta and Canada-wide annual inflation rates were 1.9 and 2.1 per cent, respectively. The February 2020 annual inflation rate for Calgary was lower than in Canada and Alberta.

In Alberta, the cost of electricity was the primary driver of higher shelter costs, like January. The elements of food with the most significant cost increases were fresh vegetables and assorted fresh or frozen meats. Mild inflation pressure on transportation because of the impact of increases in passenger vehicle insurance premiums persists.

* Consumer Price Index (CPI) basket weights are based on the 2017 Survey of Household Spending, modified on February 2019. Sources: Statistics Canada, Corporate Economics, March 18, 2020

Calgary Census Metropolitan Area Share of Goods and Services of a Typical Urban Dweller Consumption Basket, 2017 Weights, February 2020



Sources: Statistics Canada, Corporate Economics, March 18, 2020

Next release: April 22, 2020

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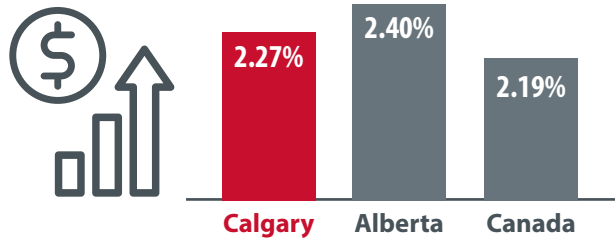
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Sources: Statistics Canada, Bank of Canada, Corporate Economics

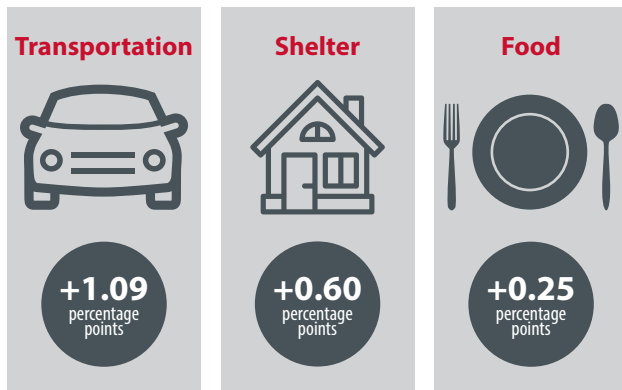


February 2019 Headline Inflation

Comparison is based on 12-month-moving-average of the Consumer Price Index



Major Contributors to Calgary's Inflation Rate



Calgary: In February 2019, the Consumer Price Index (CPI) increased by 2.27 per cent from February 2018. Year-to-date, the CPI was higher by 0.20 per cent.

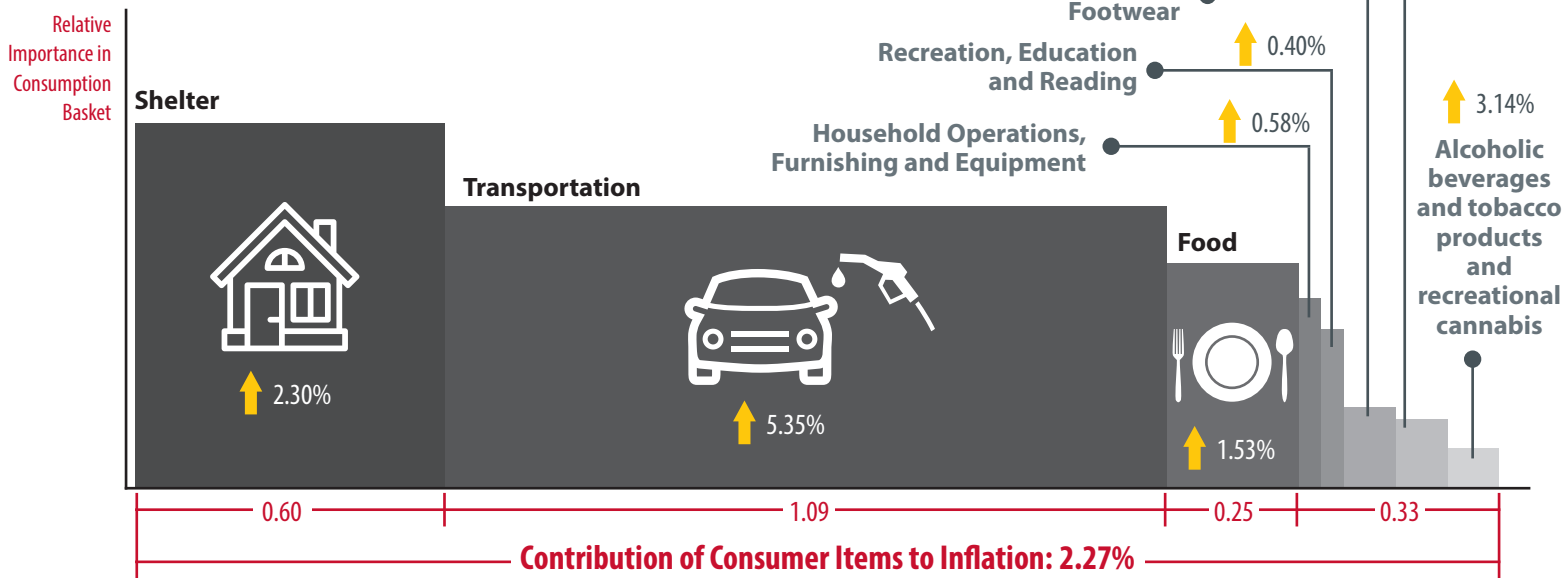
The major contributor to the February 2019 annual inflation rate was the cost of transportation. It added 1.09 percentage points to the annual inflation rate. The contribution of transportation costs to annual inflation at the same time last year was 0.59 percentage points. Excluding the impact of transportation costs, the annual average CPI rose 1.18 per cent in February 2019.

The second largest contributor to inflation was food and shelter. It added 0.85 percentage points to the February 2019 annual inflation rate. The contribution of food and shelter costs to annual inflation was much higher than it was in February 2018 and January 2019.

Alberta and Canada: For February 2019, the Alberta and Canada-wide annual inflation rates were 2.40 and 2.19 per cent respectively. The February 2019 annual inflation rates for Calgary and Alberta were higher than for Canada.

Usually, tradable goods and services have lower inflation than non-tradable ones. Recent changes in the tariff regime with Canada's primary trading partner made it useful to review inflation arising from tradable goods. There are 11 broad categories of tradable (import and export) goods into and from Canada. The share of imports into Alberta for goods in four categories increased in 2018. They are consumer goods; metal ores and non-metallic minerals; metals and non-metallic mineral products; and basic industrial chemical, plastic and rubber products. Several of these categories were affected by the change in the tariff regime. If imports for goods in these categories continue to grow in 2019, then there would be upward pressure on the consumer price index for Canada, Alberta and Calgary.

Calgary Census Metropolitan Area Share of Goods and Services of a Typical Urban Dweller Consumption Basket, 2017 Weights, February 2019



Inflation Rates

	Relative Importance (%) [*]	Year-over-year (12-MMA, %)			Year-to-Date (12-MMA, %)		
		Feb-19	Jan-19	Dec-18	Feb-19	Jan-19	Dec-18
Calgary: All-items	100.00	2.27	2.34	2.37	0.20	0.08	2.37
Calgary: All-items excluding food and energy	76.28	1.52	1.54	1.51	0.21	0.11	1.51
Food	16.59	1.53	1.41	1.46	0.43	0.17	1.46
Shelter	26.26	2.30	2.26	2.08	0.42	0.21	2.08
Rented accommodation	5.68	0.65	0.39	0.14	0.37	0.18	0.14
Owned accommodation	15.48	1.27	1.26	1.26	0.29	0.14	1.26
Water, fuel and electricity	5.09	7.63	7.85	7.39	0.89	0.44	7.39
Household operations, furnishing and equipment	12.93	0.58	0.58	0.52	0.17	0.08	0.52
Clothing and footwear	5.15	0.95	1.18	1.34	-0.06	-0.05	1.34
Transportation	20.28	5.35	5.65	5.95	0.03	-0.05	5.95
Gasoline	3.26	14.82	16.70	18.57	-1.58	-1.09	18.57
Health and personal care	4.81	1.21	1.40	1.68	-0.01	-0.04	1.68
Recreation, education and reading	10.49	0.40	0.51	0.45	-0.07	0.02	0.45
Alcoholic beverages, tobacco products and recreational cannabis	3.48	3.14	3.26	3.22	0.38	0.23	3.22
Alberta: All-items	100.00	2.40	2.44	2.47	0.23	0.1	2.47
Alberta: All-items excluding food and energy	76.28	1.65	1.65	1.61	0.24	0.12	1.61
Canada: All-items	100.00	2.19	2.25	2.27	0.24	0.12	2.27
Canada: All-items excluding food and energy	77.01	1.97	1.96	1.93	0.32	0.16	1.93

^{*} Consumer Price Index (CPI) basket weights are based on the 2017 Survey of Household Spending, modified on February 2019.

Sources: Statistics Canada, Corporate Economics, March 22, 2019

Next release: April 17, 2019

Glossary:

Headline Inflation: This is the inflation rate measured using all components of the consumer basket of goods and services.

Core Inflation: This is the inflation rate after excluding food and transportation from the consumer basket of goods and services.

Overnight Rate: The interest rate the Bank of Canada charges commercial banks to borrow money.

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Sources: Statistics Canada, Bank of Canada, Corporate Economics



DECEMBER 2018

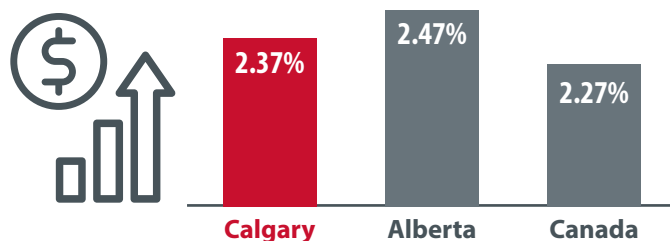
Inflation Review

Chukwudi Osuji, Ph.D, Senior Corporate Economist | Estella Scruggs, Corporate Research Analyst

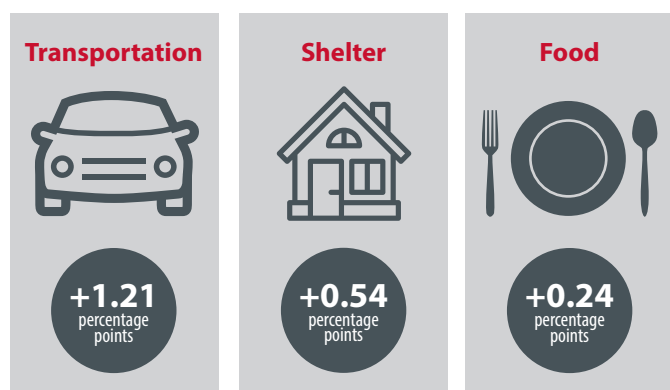
January 18, 2019

December 2018 Headline Inflation

Comparison is based on 12-month-moving-average of the CPI



Major Contributors to Calgary's Inflation Rate



Highlights:

- The 2018 increase in the Consumer Price Index (CPI) was 2.37 per cent using gains from December 2017 to December 2018. The 2018 inflation rate follows gains of 1.62 per cent in 2017 and 0.97 per cent in 2016. The 2018 CPI increase is the largest since 2014. The backdrop for this gain is strong external factors - the pass-through from the change in tariff regime and oil price volatility - and weak internal factors reflected in 2018 local labour market conditions.
- The major contributor to the 2018 Calgary CPI was the cost of transportation. It added 1.21 percentage points to the annual inflation rate. Excluding the impact of transportation costs, the annual average CPI rose 1.16 per cent. The contribution of transportation inflation fluctuated throughout the year in line with gasoline and diesel price volatility. Transportation's average contribution to year-over-year inflation recorded for all the months of 2018 was 0.96 percentage points.
- Before tariffs imposed by the United States (U.S.) in June 2018, transportation's average contribution to inflation was 0.65 percentage points. The impact of U.S. tariffs on Aluminum and Steel and Canada's retaliatory tariffs on not just Aluminum and Steel, but on 79 other non-related products partly explain higher prices.
- The second largest contributor to inflation was food and shelter adding 0.78 percentage points to the 2018 inflation rate.
- The 2018 inflation rates for Calgary, Alberta and Canada were similar at just above two per cent. The Calgary headline annual inflation rate was lower than Alberta by 0.1 percentage points but higher than Canada by 0.1 percentage points.

Inflation Rates

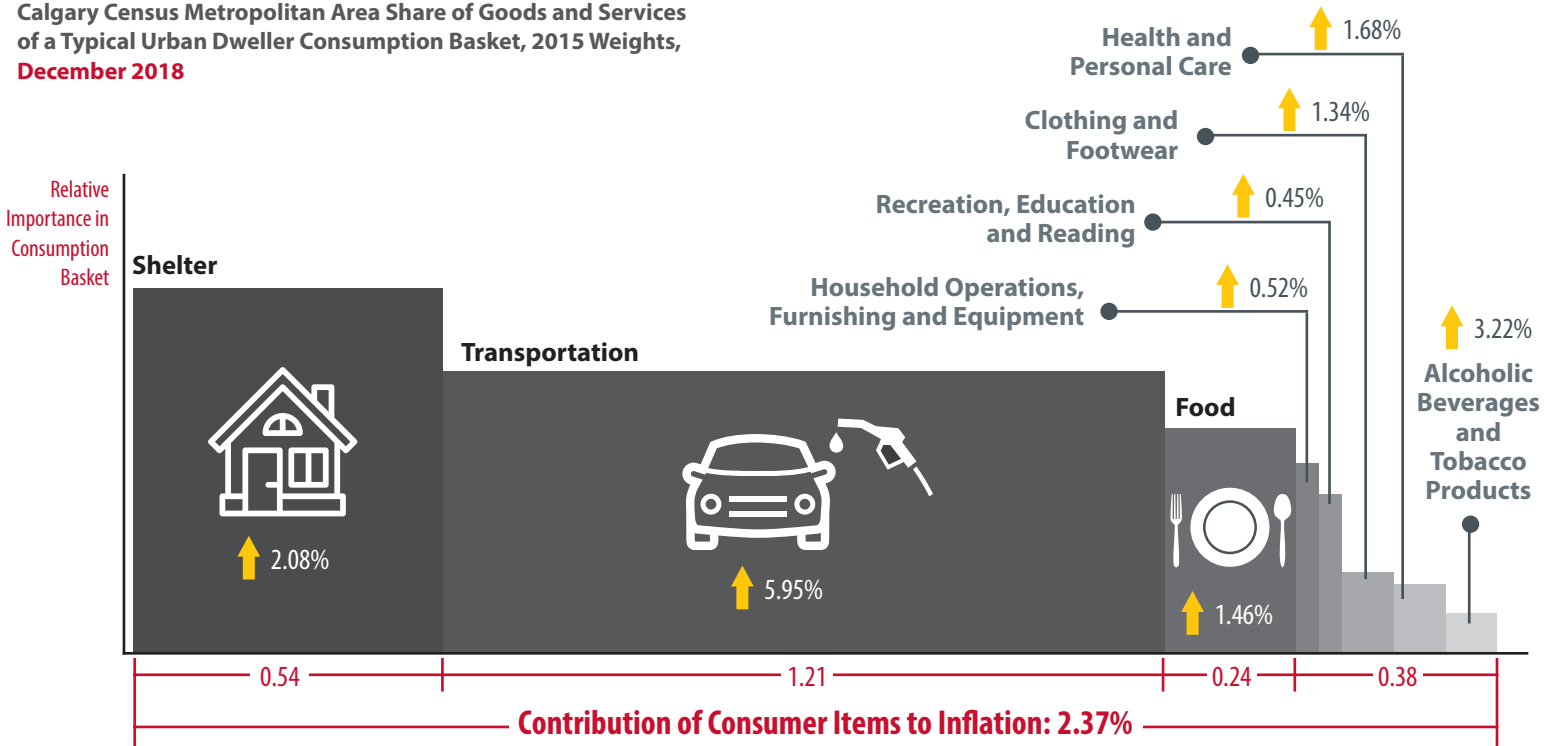
	Relative Importance (%)*	Year-over-year (12-MMA, %)			Year-to-Date (12-MMA, %)		
		Dec-18	Nov-18	Oct-18	Dec-18	Nov-18	Oct-18
Calgary: All-items	100.00	2.37	2.37	2.47	2.37	2.21	2.09
Calgary: All-items excluding food and energy	77.90	1.51	1.45	1.48	1.51	1.35	1.27
Food	15.95	1.46	1.42	1.48	1.46	1.28	1.14
Shelter	25.73	2.08	2.06	1.91	2.08	1.88	1.62
Rented accommodation	6.22	0.14	-0.01	-0.17	0.14	0.07	-0.01
Owned accommodation	15.35	1.26	1.33	1.37	1.26	1.17	1.07
Water, fuel and electricity	4.16	7.39	7.38	6.68	7.39	6.66	5.71
Household operations, furnishing and equipment	13.48	0.52	0.31	0.46	0.52	0.37	0.38
Clothing and footwear	5.76	1.34	1.59	1.88	1.34	1.37	1.46
Transportation	20.03	5.95	6.20	6.67	5.95	5.76	5.64
Gasoline	3.17	18.57	20.62	23.71	18.57	19.20	19.57
Health and personal care	4.90	1.68	1.85	2.07	1.68	1.66	1.67
Recreation, education and reading	11.31	0.45	0.32	0.30	0.45	0.36	0.31
Alcoholic beverages and tobacco products	2.84	3.22	3.21	3.21	3.22	2.98	2.75
Alberta: All-items	100.00	2.47	2.46	2.53	2.47	2.29	2.15
Alberta: All-items excluding food and energy	77.90	1.61	1.53	1.54	1.61	1.43	1.33
Canada: All-items	100.00	2.27	2.26	2.29	2.27	2.10	1.96
Canada: All-items excluding food and energy	76.71	1.93	1.88	1.88	1.93	1.73	1.59

Sources: Statistics Canada, Corporate Economics, January 18, 2019

* 2015 CPI basket weights at January 2017 prices, date modified on February 24, 2017

Next release: February 27, 2019
continued on next page ➡

Calgary Census Metropolitan Area Share of Goods and Services of a Typical Urban Dweller Consumption Basket, 2015 Weights, December 2018



Sources: Statistics Canada, Corporate Economics, January 18, 2019

* Contribution of inflation by percentage points. Total contribution equals to headline inflation.

Glossary:

Headline Inflation: This is the inflation rate measured using all components of the consumer basket of goods and services.

Core Inflation: This is the inflation rate after excluding food and transportation from the consumer basket of goods and services.

Overnight Rate: The interest rate the Bank of Canada charges commercial banks to borrow money.

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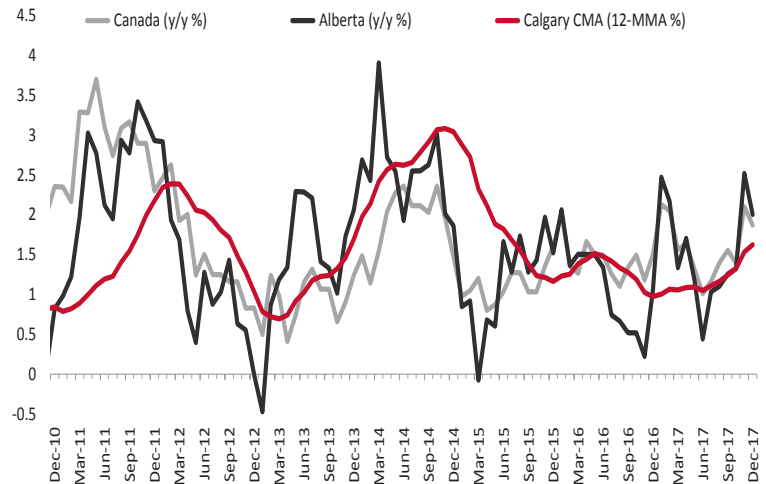
Sources: Statistics Canada, Bank of Canada, Corporate Economics

Inflation Review

Highlights:

- Alberta's current carbon tax system saw new taxes passed on to energy consumers starting in January 2017. That resulted in a sudden spike in prices across the country which resulted in consumers pulling back on their spending early in the year. When carbon taxes were slated to bump up again in January 2018 it appears now that energy companies decided to pass that increase along starting in November in an attempt to soften the blow to consumers. Gasoline prices rose across the country in November and December in response to Alberta's increasing carbon tax.
- In Calgary inflation in December increased slightly to 1.6 per cent, up slightly from 1.5 per cent as fuel and electricity prices continued to climb while apartment rents continued to fall, offsetting the fuel price increases somewhat. A similar story occurred across Alberta with inflation softening from 2.5 per cent in November 2017 to 2.0 per cent in December.
- Nationally, inflation fell slightly from 2.1 per cent in November to 1.9 per cent in December 2017 as most of the increases in fuel prices were passed on in November. December's national inflation was below the Bank of Canada's target rate of 2.0 per cent, and it now appears that the bank will at least be cautious about raising interest rates at their next meeting on March 7th, 2018.

Headline Inflation Comparison
(per cent, 12MMA, Year-over-year change, Dec. 2010 - Dec. 2017)



Source: Statistics Canada, Corporate Economics

Next release on February 23, 2018

Inflation Rates

	Relative Importance (%)*	Year-over-year (12 MMA, %)			Month-over-month (12MMA, %)		
		Dec-17	Nov-17	Dec-16	Dec-17	Nov-17	Dec-16
Calgary: All-items	100.00	1.62	1.53	0.97	(0.65)	0.51	(0.07)
Calgary: All-items excluding food and energy	76.49	1.12	1.49	1.29	(0.59)	(0.07)	(0.22)
Food	15.99	1.71	2.44	(1.35)	(0.35)	0.84	0.36
Shelter	26.56	2.20	1.22	(0.49)	0.72	0.00	(0.24)
Rented accommodation	5.40	(0.95)	(1.03)	(2.55)	0.00	(0.08)	(0.08)
Owned accommodation	16.24	1.89	1.74	0.93	0.32	(0.05)	0.16
Water, fuel and electricity	4.84	8.39	2.98	(3.39)	2.90	0.15	(2.24)
Household operations, furnishing and equipment	12.27	(0.67)	1.55	1.61	(2.19)	0.25	0.00
Clothing and footwear	5.88	2.72	2.39	(0.26)	(2.85)	(0.89)	(3.17)
Transportation	20.44	5.18	6.85	3.23	(0.50)	2.51	1.08
Gasoline	3.81	15.55	30.10	7.69	(6.86)	12.13	4.87
Health and personal care	4.65	2.26	2.49	0.76	0.15	(0.59)	0.38
Recreation, education and reading	11.37	(0.55)	0.52	2.35	(1.59)	(0.79)	(0.54)
Alcoholic beverages and tobacco products	2.83	2.66	2.73	2.25	(0.13)	0.11	(0.06)
Alberta: All-items	100.00	2.00	2.52	1.05	(0.58)	0.58	(0.07)
Alberta: All-items excluding food and energy	76.49	1.13	1.42	1.45	(0.52)	0.00	(0.22)
Canada: All-items	100.00	1.87	2.10	1.50	(0.38)	0.31	(0.16)
Canada: All-items excluding food and energy	74.85	1.70	1.77	1.81	(0.48)	0.00	(0.40)

Sources: Statistics Canada, Corporate Economics, January 26, 2018* 2013 CPI basket weights at January 2015 prices, date modified on February 26, 2015

** CPI historical data was adjusted by Statistics Canada on April 21, 2017; the data for Alberta and Canada is not smoothed.

Figures in parentheses indicate negative.

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Forecasting

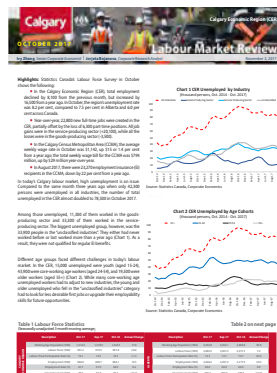


Calgary and Region Economic Outlook
2017 - 2026
Fall 2017

REPORT NUMBER: 15043-1311

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- ▶ Energy Reports on Natural Gas and Crude Oil

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- ▶ Housing Review
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- ▶ A Case of Fiscal Imbalance: The Calgary Experience
- ▶ Diesel Fuel Price Pass-Through in Calgary
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Sources: Statistics Canada, Bank of Canada, Corporate Economics

Inflation Review

Clyde Pawluk Senior Economist | Jorjeta Bojanova, Corporate Research Analyst

January 20, 2017

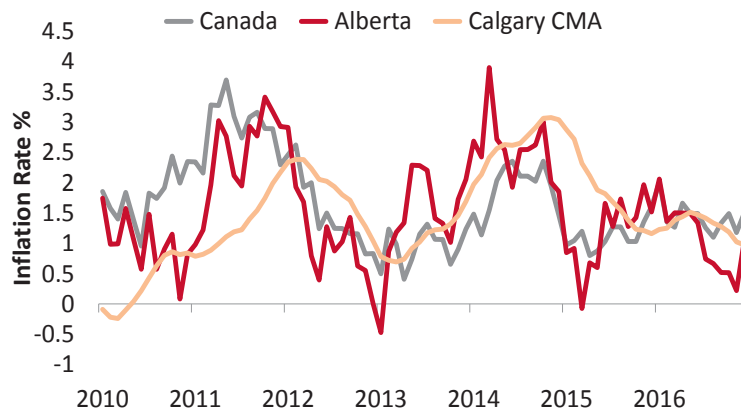
Calgary's headline inflation rate remains low

Headlights:

- Calgary CMA's inflation rate for December 2016 was estimated at 0.97 per cent, down from 1.03 per cent in the previous month and from 1.16 per cent for the same time in 2015. Gasoline prices shot up in December by 7.69 per cent, far in excess of the 5 cents per litre carbon tax implemented in January 2017. Price increases in recreation (2.35 per cent) and alcoholic beverages (2.25 per cent) were offset by price decreases in rented accommodation (-2.5 per cent) and water and electricity prices (-3.4 per cent).
- The December inflation rate for Alberta was 1.05 per cent while the Canadian average was 1.5 per cent. Inflation below the Bank of Canada's target rate of 2.0 per cent bodes well for Canadian interest rates remaining low, at least for the immediate future.
- Inflationary pressures are building in the Province. Prices are slowly rising outside the Province and Alberta retailers are having a difficult time passing on those increases during the current recession. At some point in the future Alberta retailers will not be able to absorb those increases and inflation in Alberta and Calgary

Headline inflation comparison

(Year-over-year change, January 2010 - December 2016, per cent)



Source: Statistics Canada, Corporate Economics

will spike above the national average. The longer the local recession lasts the higher that future spike in prices could be.

Next release on February 17, 2017

Inflation Rates

	Relative Importance (%)*	Year-over-year (12 MMA, %)			Month-over-month (12MMA, %)		
		Dec-16	Nov-16	Dec-15	Dec-16	Nov-16	Dec-15
Calgary: All-items	100.00	0.97	1.03	1.16	(0.07)	(0.66)	(0.89)
Calgary: All-items excluding food and energy	76.49	1.29	0.83	2.17	(0.22)	(0.59)	(0.68)
Food	15.99	(1.35)	(1.28)	3.73	0.36	0.58	0.43
Shelter	26.56	(0.49)	(0.30)	0.12	(0.24)	0.00	(0.06)
Rented accommodation	5.40	(2.55)	(2.47)	1.49	(0.08)	(0.16)	0.00
Owned accommodation	16.24	0.93	0.88	2.23	0.16	0.11	0.11
Water, fuel and electricity	4.84	(3.39)	(2.26)	(9.71)	(2.24)	0.22	(1.09)
Household operations, furnishing and equipment	12.27	1.61	1.02	1.97	0.00	(0.56)	(0.58)
Clothing and footwear	5.88	(0.26)	(2.31)	0.32	(3.17)	(3.44)	(5.16)
Transportation	20.44	3.23	0.39	1.19	1.08	(2.03)	(1.70)
Gasoline	3.81	7.69	(8.69)	(7.02)	4.87	(8.93)	(11.08)
Health and personal care	4.65	0.76	0.00	2.49	0.38	(0.15)	(0.38)
Recreation, education and reading	11.37	2.35	1.50	1.02	(0.54)	(0.52)	(1.37)
Alcoholic beverages and tobacco products	2.83	2.25	2.58	8.68	(0.06)	(0.01)	0.26
Alberta: All-items	100.00	1.05	0.22	1.52	(0.07)	(0.59)	(0.89)
Alberta: All-items excluding food and energy	76.49	1.45	0.98	2.18	(0.22)	(0.52)	(0.68)
Canada: All-items	100.00	1.50	1.18	1.61	(0.16)	(0.39)	(0.47)
Canada: All-items excluding food and energy	74.85	1.81	1.72	1.68	(0.40)	(0.40)	(0.49)

Sources: Statistics Canada, Corporate Economics, January 2017

* 2013 CPI basket weights at January 2015 prices, date modified February 26, 2015

Figures in parentheses indicate negative.

Inflation Review

Clyde Pawluk Senior Economist | Jorjeta Bojanova, Corporate Research Analyst

January 20, 2017

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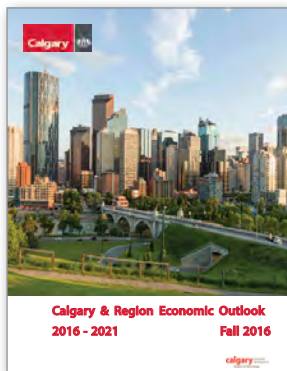
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Sources: Statistics Canada, Bank of Canada, Corporate Economics



Inflation Review

Estella Scruggs, Corporate Research Analyst | Patrick Walters, City Economist

January 22, 2016

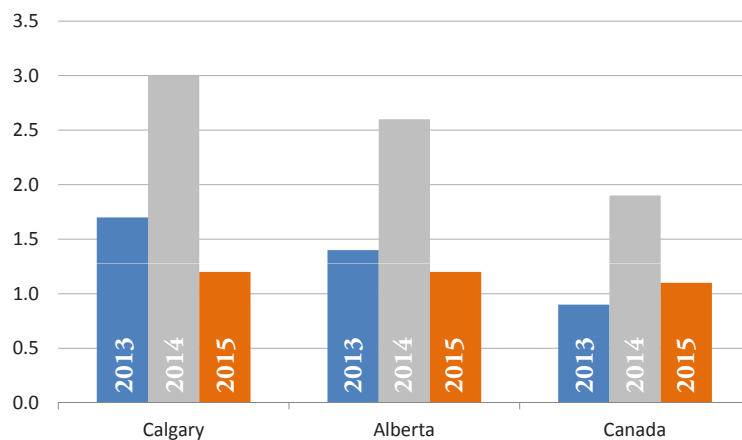
Year in Review

In 2015, consumer prices in Calgary rose by an average of 1.2 per cent, a significant deceleration from 3.0 per cent in 2014. The inflation rate slowed to 1.2 per cent in Alberta compared to 2.6 per cent in 2014. For Canada, the rate decelerated to 1.1 per cent, a smaller increase than the 1.9 per cent rise in 2014. The all-items inflation rates for Calgary, Alberta, and Canada were moderated by the decline in energy prices.

Calgary's inflation rate in 2015 was kept low due to lower prices in the energy product group, which fell 14.5 per cent from 2014. This is the largest decline since 2009. Prices for gasoline plunged 16.1 per cent from the previous year, natural gas dropped 15.1 per cent and electricity also shrank 10.0 per cent. With the sharp decline in gasoline and electricity prices in 2015, Calgarians paid less for shelter and transportation for the first time in over three years.

Cost increases were observed in a number of categories in 2015. Prices for alcoholic beverages and tobacco products had the largest increase, up 5.4 per cent compared to 3.6 per cent in 2014. Prices for food picked up 3.7 per cent, recreation, education and reading rose 1.7 per cent, health and personal care increased 1.4 per cent, and clothing and footwear were up 1.0 per cent from a year ago. Excluding food and energy, the inflation rate for Calgary slowed to 2.3 per cent, after reaching 2.9 per cent in 2014.

Chart 1. Headline inflation comparison
(Annual Averages, 2013-2015, per cent)



Sources: Statistics Canada, Corporate Economics, January 2016

Overall, higher prices were observed in food and other imported products as they were driven by a lower Canadian dollar. The inflation rate should continue to stay moderate in the coming months aided by lower energy costs.

Next release: February 19, 2016

Inflation Rates

	Relative Importance (%)*	Year-over-year			Annual Rates		
		Dec-15 (%)	Nov-15 (%)	Dec-14 (%)	2015 (%)	2014 (%)	2013 (%)
Calgary: All-items	100.00	1.5	2.0	2.2	1.2	3.0	1.7
Calgary: All-items excluding food and energy	76.49	2.2	2.7	2.6	2.3	2.9	1.7
Food	15.99	3.7	3.4	4.4	3.7	3.4	2.3
Shelter	26.56	0.1	1.0	4.4	0.5	5.5	3.3
Rented accommodation	5.40	1.5	1.9	3.5	2.9	3.3	3.3
Owned accommodation	16.24	2.2	2.4	4.5	2.5	5.5	2.7
Water, fuel and electricity	4.84	(9.7)	(4.5)	5.4	(9.8)	9.0	5.5
Household operations, furnishing and equipment	12.27	2.0	2.2	3.2	2.8	2.8	2.0
Clothing and footwear	5.88	0.3	3.2	(0.2)	1.0	0.7	0.7
Transportation	20.44	1.2	0.7	(1.3)	(1.6)	2.7	0.8
Gasoline	3.81	(7.0)	(8.0)	(16.0)	(16.1)	2.0	0.2
Health and personal care	4.65	2.5	2.6	1.1	1.4	1.2	(0.2)
Recreation, education and reading	11.37	1.0	2.4	1.4	1.7	2.3	0.8
Alcoholic beverages and tobacco products	2.83	8.7	8.4	4.1	5.4	3.6	1.5
Alberta: All-items	100.00	1.5	2.0	1.9	1.2	2.6	1.4
Alberta: All-items excluding food and energy	76.49	2.2	2.6	2.3	2.3	2.4	1.4
Canada: All-items	100.00	1.6	1.4	1.5	1.1	1.9	0.9
Canada: All-items excluding food and energy	74.85	1.7	1.8	1.9	1.8	1.6	0.8

Sources: Statistics Canada, Corporate Economics, January 2016

* 2013 CPI basket weights at January 2015 prices, date modified February 26, 2015

Figures in red and parentheses indicate negative.



Inflation Review

Estella Scruggs, Corporate Research Analyst | Patrick Walters, City Economist

January 22, 2016

Who We Are

Corporate Economics provides services in four areas: forecasting, information provision, policy analysis and consulting. We also monitor the current economic trends which allows us to develop unique insights on how external events are impacting the local economy and the Municipal government. We are experienced at researching different economic topics and have developed reliable methods of forecasting and analysis.

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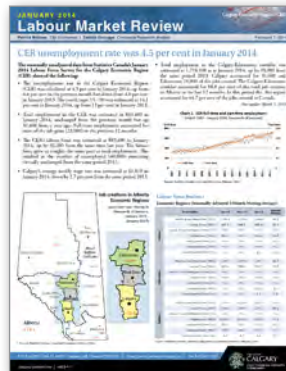
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Forecasting



- ▶ Calgary & Region Economic Outlook
- ▶ Energy Reports on Natural Gas and Crude Oil

Information Provision



- ▶ Current Economic Analysis
- ▶ Housing Review
- ▶ Inflation Review
- ▶ Labour Market Review

Policy Analysis



- ▶ A Case of Fiscal Imbalance: The Calgary Experience
- ▶ Diesel Fuel Price Pass-Through in Calgary
- ▶ Calgary Residential and Commercial Real Estate Markets

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Sources: Statistics Canada, Bank of Canada, Corporate Economics.

Inflation Review

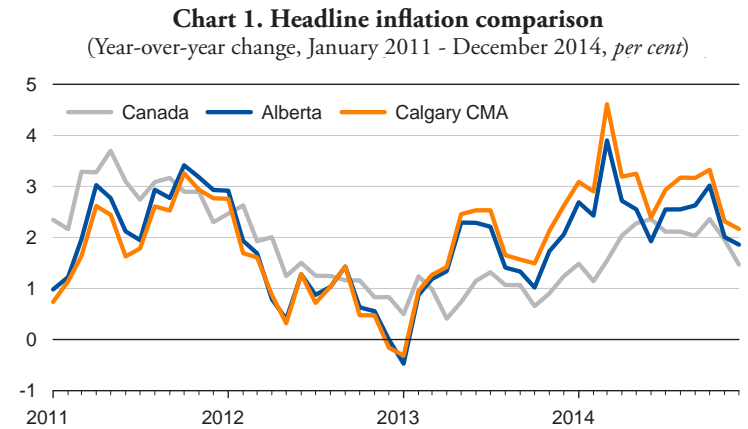
Estella Scruggs, Corporate Research Analyst | Jillian Kohut, Associate Economist

January 23, 2015

Plunging gasoline prices led to a deceleration in Calgary's inflation rate

In December 2014, the headline inflation rate for the Calgary census metropolitan area (CMA) slowed to 2.2 per cent year-over-year as transportation costs shrank 1.3 per cent. Oil prices have fallen sharply in the last few months, which continues to put downward pressure on inflation in Calgary. Gasoline prices plunged 16.0 per cent from December 2013, and 12.0 per cent month-over-month. Meanwhile, food remained the key driver for inflation in 2014, and was 4.4 per cent more expensive than last year. Food purchased from stores was up 5.0 per cent and restaurant bills were up 2.9 per cent. Among the commonly purchased food items from stores, meat recorded the biggest gain in December, rising by 17.9 per cent. Food prices are likely to climb higher in the coming months as a result of the depreciation of the Canadian dollar and the drought in California. Upward movement was also observed in other items in Calgary. The cost of shelter jumped 4.4 per cent, and alcoholic beverages and tobacco products climbed 4.1 per cent from December 2013.

In Alberta, the all-items inflation rate fell to 1.9 per cent in December from 2.0 per cent in November. Nationally, Canada's inflation rate decelerated to 1.5 per cent from 2.0 per cent. With weaker oil prices, the Bank of Canada is projecting total consumer inflation to average between 0 and 1.0 per cent in 2015, and move back up to the Bank's target of 2.0 per cent the following year. Due to lower inflationary expectations, the Bank slashed its overnight



Sources: Statistics Canada, Corporate Economics, January 2015

interest rate by 25 basis points earlier this week.

The headline inflation rate for 2014 in Calgary came in at 3.0 per cent, which was particularly high when compared to 2013's rate of 1.7 per cent. Apart from the highly volatile food and energy categories, Calgary's core inflation rate was 2.6 per cent in December and 2.9 per cent for the year. Overall, the inflation rate should trend downwards in the coming months, aided by lower gasoline prices.

Next release: February 26, 2015

Inflation Rates

	Relative Importance (%) [*]	Year-over-year			Annual Rates		
		Dec-14 (%)	Nov-14 (%)	Dec-13 (%)	2014 (%)	2013 (%)	2012 (%)
Calgary: All-items	100.00	2.2	2.3	2.6	3.0	1.7	1.0
Calgary: All-items excluding food and energy	76.49	2.6	2.6	2.4	2.9	1.7	1.3
Food	15.99	4.4	4.2	2.6	3.4	2.3	2.0
Shelter	26.56	4.4	3.3	4.9	5.5	3.3	0.1
Rented accommodation	5.40	3.5	3.4	3.5	3.3	3.3	1.1
Owned accommodation	16.24	4.5	4.6	4.5	5.5	2.7	1.1
Water, fuel and electricity	4.84	5.4	(1.8)	8.9	9.0	5.5	(4.6)
Household operations, furnishing and equipment	12.27	3.2	3.6	2.1	2.8	2.0	1.5
Clothing and footwear	5.88	(0.2)	(1.8)	1.5	0.7	0.7	(0.7)
Transportation	20.44	(1.3)	1.5	3.1	2.7	0.8	1.7
Gasoline	3.81	(16.0)	(3.8)	5.4	2.0	0.2	1.4
Health and personal care	4.65	1.1	1.6	0.1	1.2	(0.2)	2.4
Recreation, education and reading	11.37	1.4	1.2	1.4	2.3	0.8	0.1
Alcoholic beverages and tobacco products	2.83	4.1	3.7	2.2	3.6	1.5	2.1
Alberta: All-items	100.00	1.9	2.0	2.1	2.6	1.4	1.1
Alberta: All-items excluding food and energy	76.49	2.3	2.3	1.9	2.4	1.4	1.3
Canada: All-items	100.00	1.5	2.0	1.2	1.9	0.9	1.5
Canada: All-items excluding food and energy	74.85	1.9	2.0	0.9	1.6	0.8	1.3

Sources: Statistics Canada, Corporate Economics, January 2015

* 2011 CPI basket weights at January 2013 prices, date modified March 27, 2013

Figures in red and parentheses indicate negative.



Inflation Review

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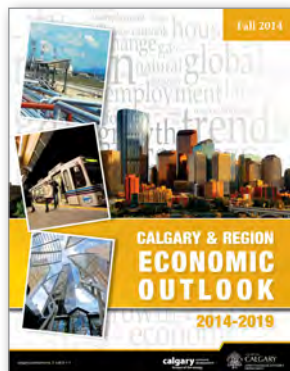
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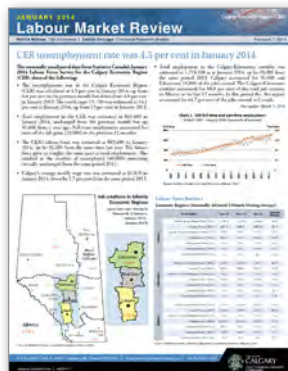
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Calgary & Region Economic Outlook 2023-2028
Fall 2023 Forecast Tables: Table 2 – Selected Real Estate Indicators for City of Calgary
<https://www.calgary.ca/research/economic-outlook.html>

Table 2 - Selected Real Estate Indicators for City of Calgary											
City of Calgary											
						FORECAST					
FORECAST COMPLETED: April 2023	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Demography											
Total Population ('000 Persons, as of April 1)	1,267.3	1,285.7	1,307.0	1,321.6	1,348.6	1,389.2	1,412.9	1,434.2	1,455.5	1,476.6	1,497.6
Total Population Growth (%)	1.7	1.4	1.7	1.1	2.0	3.0	1.7	1.5	1.5	1.5	1.4
Net Migration ('000 Persons, April - March)	11.7	9.6	12.3	6.1	19.7	33.1	15.8	13.7	14.1	14.4	14.7
Household Formation ('000 units, April - March)	11.6	6.3	7.7	5.6	10.4	15.6	9.2	8.3	8.3	8.3	8.2
FORECAST COMPLETED: October 2023	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Real Estate											
Housing Starts ('000 units)*	9.4	10.6	7.9	12.7	14.8	14.2	10.5	11.0	10.4	9.9	9.6
Average Residential MLS Sale Price Growth (%)**	-1.2	-4.2	-0.1	7.6	4.9	1.9	1.7	5.2	3.7	2.2	2.2
Benchmark Home Price Growth (%)**	-0.1	-3.8	-0.9	12.8	12.4	3.8	1.1	5.0	3.6	2.2	2.2
Total Building Permits (\$billions)	4.5	5.0	3.4	5.6	5.7	5.7	6.3	5.9	6.5	6.5	6.6

Numbers may not add up due to rounding.
Sources for historical data: * Canada Mortgage and Housing Corporation (CMHC) ** Calgary Real Estate Board (CREB)

PROGRESS REPORT DASHBOARD

2022 ANNUAL UPDATE: JANUARY TO DECEMBER 2022



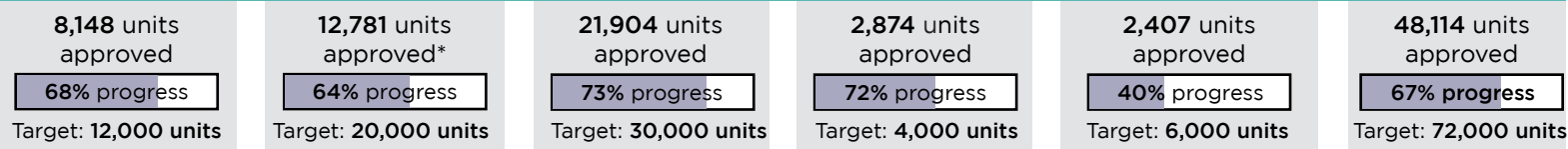
Housing Vancouver Strategy

Adopted in 2017, *Housing Vancouver* is the City's strategy to address Vancouver's housing crisis, targeting **72,000 new homes** over 10 years (2018-2027). The Strategy seeks to enable the 'Right Supply' of housing for people who live and work in Vancouver, which includes housing options that are affordable to local incomes and a shift to more social, supportive, and rental housing. Tracking for the Housing Vancouver targets began in 2017. After 6 years, the City has approved 67% (48,114 units) of the overall target of 72,000 new homes.

Progress Toward Housing Vancouver Targets



Progress Toward 10-Year Approval Targets as of 2022



2022: Performance Against Annual Approval Targets



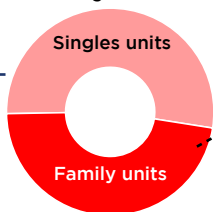
*Of the total rental approvals over the last 6 years, 1,219 units were approved as below-market rental housing achieving 30% of the 10-Year target of 4,000 units.

**Note that condo approvals were over-estimated as of quarter 3 in 2022 and have been revised as of 2022 year-end.

2017-2022 Q3: Diversity of Housing Options

Family Housing

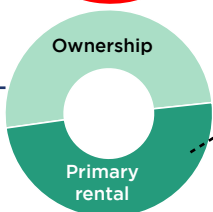
Target: 42% of housing units approved to be family-sized, 2 or 3 bedrooms



Approvals to date: 47% of units approved

Housing Tenure

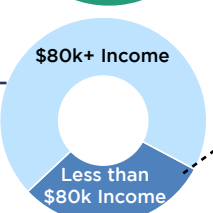
Target: 50% of units approved to be primary rental housing*



Approvals to date: 49% of units approved

Income Diversity

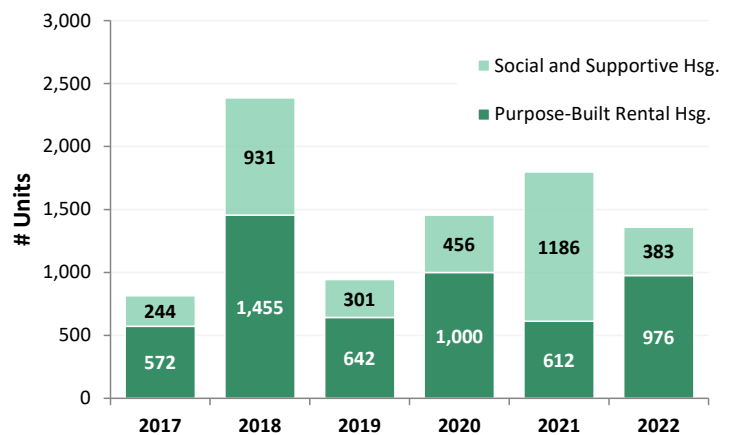
Target: 48% of housing units approved affordable to incomes less than \$80k/year



Approvals to date: 30% of units approved

*Primary rental includes non-market rental housing (social and supportive housing), purpose-built market rental housing, and laneway homes.

Rental Completions 2017-2022



* Note that projects are determined to be complete when an occupancy permit is issued

For more information on Housing Vancouver Strategy updates: <https://vancouver.ca/housing>













Questions? contact 3-1-1 or housingpolicy@vancouver.ca

Data from January 1, 2017-September 30, 2022



The City of Calgary is supporting the affordable housing sector to collectively **increase the non-market housing supply and improve the housing system**. To meet the national average, Calgary would need to add 15,000 new affordable homes. **Affordable housing is integral to supporting a strong local economy and a prosperous city.**

Summary of 2018 Short-Term Targets

<p>1. Get the Calgary community building </p> <p>Target:</p> <ul style="list-style-type: none"> Development & building permit approvals within 6 months 1,500 units <p>Actual:</p> <ul style="list-style-type: none"> All development approvals have met customized timelines 2,313 units <p></p>	<p>2. Leverage City land </p> <p>Target:</p> <ul style="list-style-type: none"> 5 parcels per year (2017-2018) <p>Actual:</p> <ul style="list-style-type: none"> 3 parcels (2017) 7 parcels (2018) <p></p>	<p>3. Design & build new City units </p> <p>Target:</p> <ul style="list-style-type: none"> 160 units delivered 110 in development <p>Actual:</p> <ul style="list-style-type: none"> 120 units delivered ~250 units in planning/design/development 10-year capital plan <p></p>
<p>4. Regenerate City-owned properties </p> <p>Target:</p> <ul style="list-style-type: none"> 3 redevelopments 2 lifecycle projects <p>Actual:</p> <ul style="list-style-type: none"> 2 redevelopments undergoing feasibility studies 200+ units repaired/renewed <p></p>	<p>5. Strengthen intergovernmental partnerships </p> <p>Target:</p> <ul style="list-style-type: none"> Participate in 3 intergovernmental partnerships <p>Actual:</p> <ul style="list-style-type: none"> All levels of government partnering to implement affordable housing strategies <p></p>	<p>6. Improve the housing system </p> <p>Target:</p> <ul style="list-style-type: none"> 5 programs for affordable housing residents <p>Actual:</p> <ul style="list-style-type: none"> Program activities reached 1,000+ individuals One Window Initiative Participation in CHAC <p></p>

Recent Accomplishments

2017-2018 Non-Market Housing Land Disposition Program

City land value of \$6.4M will deliver ~160 new homes. This investment leveraged over \$30M in additional funding, capturing a 460% return.

Foundations for Home Community Development Program

The Home Program successfully improved outcomes for residents of affordable housing, reaching more than 1,000 individuals.

Affordable Housing Density Bonus

In 2019 April, the first affordable housing density bonus was approved for a project in the Beltline, which will deliver 22 affordable homes.



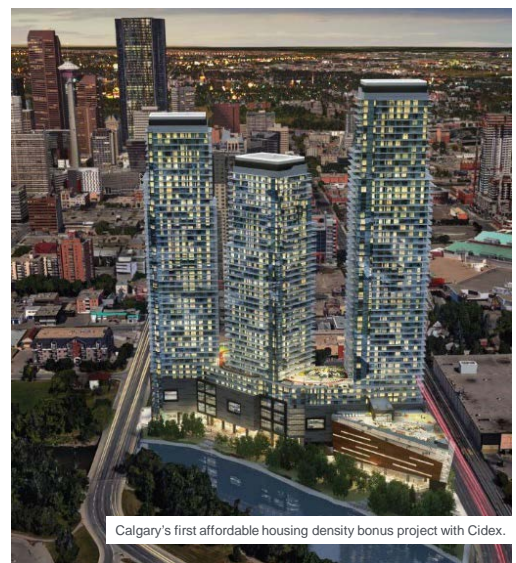
HomeSpace funding announcement.

New City-Owned Affordable Homes

In 2018 October, The City delivered 48 new affordable homes in Wildwood. Future developments are progressing in Bridlewood, Rosedale, Mount Pleasant, and Varsity.

Housing Incentive Program

Predevelopment grants and fee rebates are committed to support 2,313 new affordable homes, at an average incentive of \$3,585/unit.



Calgary's first affordable housing density bonus project with Cidex.

Non-Market Housing Land Disposition Policy

In 2019 May, Council approved this policy to replace the former ad-hoc process of one-off sales with a predictable offering of land every two years to help grow non-profits.

How Affordable Housing Helps Calgarians

Affordable housing is about people. People with hopes, needs, dreams, and the drive to succeed.

However, with market rental rates among the highest in Canada, it's difficult for some Calgarians to pursue their dreams while affording a place to live.

Here is how affordable housing is helping some residents work towards their future. [Watch their stories.](#)

Meet Lori

Lori left a difficult relationship, along with her son and daughter. It wasn't easy. Lori and her children arrived at a Calgary shelter seeking help.

Lori applied for assistance with the Calgary Housing Company and received an offer of a place to live three months later. Today Lori works at a non-profit society, where she uses her experience to help other women leaving similar circumstances. She is also saving up for her forever home. Lori's kids are thriving, getting involved in community activities and making friends.

"The best thing about affordable housing is looking around in the morning with my coffee, and my kids aren't scared," says Lori.



Meet Lana

Lana lives in affordable housing with her service dog MacGyver. Lana trained as a nurse and worked in Calgary as a real estate agent until Multiple Sclerosis forced her to stop. She uses a wheelchair to get around and is also legally blind. However, these challenges are no match for the tenacious spirit she developed playing basketball on Yugoslavia's junior national team, and her desire to make a difference.

Lana started knitting with her grandmother when she was five and continues to work her needles by muscle memory. She puts this skill to good use by knitting hats, scarves and mittens for homeless people, and giving them away around downtown Calgary. She also works with the Affordable Housing – Foundations for Home Community Development Program to get yarn and teach others. In her spare time, she plays wheelchair basketball, rugby and tennis.



Meet Tarek

Tarek immigrated to Canada from Lebanon in 2011 with his wife and two children, seeking a life where he can "have some peace and raise my kids in a good way." Tarek is a former banker who is unable to work due to Multiple Sclerosis. By 2014, Tarek's family could no longer afford to pay rent for a furnished apartment. They faced the real possibility of having to move back to Lebanon.

Tarek's family applied for affordable housing through Calgary Housing Company (CHC). CHC was able to find the family a comfortable townhouse with recently upgraded windows. In the future, Tarek hopes to own a house with a yard where his kids can play.

JANUARY 2024

RETHINKING CANADA'S TARGET FOR 5.8 MILLION NEW HOMES BY 2030

**STEVE POMEROY, INDUSTRY PROFESSOR,
CANADIAN HOUSING EVIDENCE
COLLABORATIVE (CHEC), MCMASTER
UNIVERSITY**



Introduction and summary

Canada Mortgage and Housing Corporation (CMHC) has been [publicizing a report](#) that says we need 5.8M new homes by 2030 in order for supply in the market to restore affordability. This brief reviews how CMHC came up with the 5.8 million number and seeks to clarify what the CMHC analysis is suggesting and whether this presents a sound or realistic basis for policy.

I argue that a supply focus alone is insufficient and misleading. To address the fundamental issue of affordability, complementary policy action is also required to better manage demand. The brief concludes by enumerating several complementary demand side measures.

Rather than relying on the CMHC theoretical analysis, and an expectation that the stakeholders in the housing system will agree to flood the market with new supply, more realistic estimates of housing requirements (demand) must be determined, including estimates of suppressed demand.

Revised minimum supply targets should be established and used in both provincial-municipal planning as well as in federal initiatives like the Housing Accelerator Fund (HAF). Currently there is a complete disconnect between the HAF targets and the CMHC 5.8 million home ambition.

But any recalibration of supply targets must also be supplemented and complemented by policies to better manage demand factors, especially immigration levels.

Recommendations

- To better manage and calibrate demand, especially for rental housing, implement a more carefully managed process for international students and temporary workers.
- To address the erosion of low rent properties, the National Housing Strategy (NHS) must be augmented with a funding mechanism to enable non-profits to acquire and preserve existing low-moderate rent properties – an approach that is more cost effective and quicker than new supply.
- An expansion of income assistance and housing allowances (Canada Housing Benefit) can be more effective in directly and quickly addressing high shelter cost burdens for many renters that are already adequately and suitably housed (88% of core need have only an affordability problem – we don't need to build them a home, we just need to help pay their current excessive rent).
- Alongside expanded housing allowances, the risk of escalating costs caused by excessive rent increases must be managed through stronger rent regulation. This should include a review by provinces of the prevailing policy to permit vacancy decontrol. Introducing, at least temporarily while supply catches up, some limit on increases for vacant units (including exempting recent and newly constructed properties to avoid creating a supply disincentive) can provide critical relief to renters required to move.

- To manage excessive home price escalation caused by existing owners with windfall equity gains, introduce a federal property transfer tax on home sales. A federal transfer tax should tax the vendor's windfall gain and reduce their excess purchasing power. The property transfer tax should then be used to support additional affordable housing programs. This would redistribute those windfall gains, dissuade speculative behavior, and provide the federal government with much needed revenues to fund additional targeted affordable housing initiatives.

Background

In June 2022, CMHC published [a research paper \(updated September in 2023\)](#) proposing that in order to restore housing to an affordability level it would be necessary to build 5.8 million new homes by 2030, including an increment of 3.5 million homes over and above the total already anticipated.

The CMHC analysis seeks to determine what level of supply would be required to have a significant impact on home affordability. It makes an important distinction between the number of homes required to meet anticipated household growth and an additional number designed to restore affordability (at least for ownership). To improve affordability, it proposes to oversupply the market with new homes, which is then expected to drive prices down to a specified affordable level.

Projecting to 2030, it proposes that recent levels of construction are generating an estimated 2.3 million homes (230,000 per year, although this subsequently bumped up). The CMHC modelling determined that a further 3.5 million (550,000 per year) would be required to restore housing prices to 2004 levels.

The key point here is that the 3.5 million target is simply a theoretical estimate, proposed to generate support for the notion that increasing new home construction to flood the market with excess supply will drive prices down by over 30% from their 2022 level. For example, to reduce prices in Ontario from \$871,000 to \$499,000; and in BC from \$929,000 to \$679,000.

In fairness to the authors, they acknowledge that this is a theoretical analysis and seeks “proof of concept” for determining affordability.

Unfortunately, the overall 5.8 million, and additional 3.5 million increment, have been taken out of context and is widely repeated by industry, the media, and politicians as fact and the most desirable, if not the only, basis for designing policy.

How the estimate was generated

The analysis defines affordability using the relationship between household income and home prices. Based on a review of past affordability trends, it benchmarks affordability at 2004 levels, the period in recent history when housing costs were low relative to average incomes. The 2004

benchmark for house prices produces ratios of around 30% of household income for most provinces but 37% in Ontario and 44% in British Columbia.

It then targets a reduction in this housing cost-to-income ratio (and implicitly to home values) down to equivalent levels that existed in 2003/04. This involves first projecting household incomes forward to 2030. Then, given where they expect disposable income to be in 2030, the Maximum Affordable Price Level (MAPL) is determined. They then ask the model, “what is the supply required so that demand is satisfied and house prices equal MAPL?” Next, they compare the resulting total supply required, as generated by the model, to the level of supply anticipated at recent levels of production.

This modelling predicts that, to restore affordability, a total of 5.8 million homes will be required by 2030. With 2.3 million homes expected under “business as usual,” the additional increment specifically needed to lower prices and restore affordability is 3.5 million homes.

It is also noted that the modelling does not examine deep affordability or the requirements for affordable (social) housing. And the analysis makes an important simplifying assumption that homes can be purchased or rented so it uses the median home price as a proxy: “we are effectively treating all the housing system as one market. Implicitly, we are assuming that increases in house prices will be passed on into the rental system over time” (CMHC 2022). This is a substantial simplifying assumption that may significantly undermine the value of the analysis for policymaking.

The [2023 update](#) of CMHC’s analysis notes some small changes in immigration, current levels of construction and some regional population shifts, but does not materially change their [estimate](#) that, nationally, the required excess supply remains around 3.5 million homes by 2030.

Note that this means building an additional 500,000 homes per year, over and above the 230,000 anticipated at recent construction levels – i.e. a total of 730,000 per year.

To put this in context in the decade 2011-2021, Canada added an average of 204,000 (this surprisingly increased during the pandemic averaging 265,000 in 2021-22, a level which appears likely to be replicated in 2023).

How will much higher levels of construction improve affordability?

The CMHC modelling is premised on the well-established micro-economic principle that an increase in supply will shift the supply curve and, all things being equal, will then trigger a shift in the demand curve, resulting in a reduction in price. The CMHC analysis inverts this to start with a desired price level, determined from a projected future income level, and a lower price-to-income ratio (as existing in 2004). Having set that price (by province) and the target affordability ratio works backwards to determine the associated level of supply to solve this equation.

CMHC explains that a substantial increase in overall supply will drive down prices in several ways, including a process of filtering and adding many lower priced units at higher density.

While not explicitly stating it this way, the CMHC aspiration requires a large amount of excess supply which, if achieved, would flood the market and cause prices (and rent) to fall.

How reality conflicts with CMHC's aspiration

A key element of the argument is the process of filtering, where higher income consumers will buy the newer, usually more expensive homes, leaving their existing home at a lower price for the next lower band of incomes and so on. This assumes the vacated property does not, or has not already, significantly increased in price. The economic literature confirms filtering helps in cities that have experienced depopulation or slow growth and have high vacancies. In such cases, the benefits of new construction trickle down to poorer households, although population growth often attenuates much of this effect.¹ The same literature also notes that in a situation of constrained supply and high demand, it is more likely that the older property will also inflate in price (filter upward), especially if in a well-located desirable area. This means for oversupply and some form of filtering to work we need to significantly slow down population growth (i.e. migration). And a Canadian analysis of filtering (Skaburskis, 2006) noted that the most important finding shows the reversal in the direction of filtering in all Canadian metropolitan areas since 1981.²

Another important factor the analysis ignores is the presence of vacancy decontrols in many provinces. When an existing renter moves from a rent-controlled unit, the vacancy decontrol regulation permits an increase in rent to current market levels. So, on turnover, rather than filtering to lower incomes, landlords adjust rents to prevailing market levels, making rents less affordable through turnover. This is confirmed in a [2023 Statistics Canada report](#) comparing rents among renters that moved in the past year to those that had not moved. While the CMHC analysis uses a simplifying assumption that median house sale prices are a reasonable proxy for all housing prices, including rentals, here the evidence on filtering is not favourable. In a context of vacancy decontrol and high rental demand, we are seeing double digit year-to-year rent increases, as reported in [rentals.ca](#).

Second, it is expected that the increased new demand will include substantial intensification, and the new units will be smaller and at lower prices, compared to the replaced home so this

¹ See for example Charles G. Nathanson, 2020, "Trickle-Down Housing Economics", Northwestern University working paper; Evan Mast, 2019, "The Effect of New Market-Rate Housing Construction on the Low-Income Housing Market", Upjohn Institute Policy and Research Briefs, No. 7-23-2019.

² Andrejs Skaburskis (2006) Filtering, City Change and the Supply of Low-priced Housing in Canada. *Urban Studies*, Volume 43, Issue 3 <https://doi.org/10.1080/00420980500533612>

will pull the overall average home price down. The target average 2030 prices presented at provincial averages in the CMHC 2022 report are roughly 30% below the 2022 values.

In reply to a question on how existing owners might react to a proposed 30% reduction in their home value (i.e., the CMHC target price for restored affordability), the author of the CMHC report responded:

“With respect to price declines, note that this is the average price of the entire housing system, not necessarily in the resale market. So, replacing four large single-detached houses on a lot worth millions of dollars with a multi-unit apartment structure will result in a decline in average price. This will not necessarily harm anyone.” [CMHC Deputy Chief Economist]

Although they never say so explicitly, CMHC has promoted the 3.5 million number to stimulate actors across the system to up their game – municipalities to approve faster, builders to build more, skilled trades to grow the construction labour supply, immigration officials to similarly target skilled labour and industry to innovate to lower costs and improve efficiency.

Unfortunately, despite the rhetoric that we need a massive increase in supply and an “all hands-on deck” level of effort, there are warnings of slowing and stalling of new construction ([Globe and Mail Nov 1](#)). Total housing starts in 2023 fell 13% from a recent peak in 2022. This is contrary to what is prescribed as necessary, but reflects the behavior of markets. A wide range of industry stakeholders have identified considerable friction in the housing system: insufficient supply of construction labour, recent inflation in materials costs, higher interest rates and high land costs (caused by recent price escalation flowing back into land values). Even the CMHC author admitted in a [radio interview](#) that it’s unrealistic: asked if he believed building an additional 3.5 million housing units by 2030 is possible, the report’s author responded, “No, but it's the right question to ask.”

And these stalling behaviors capture a critical area of friction – developers and builders are not motivated to flood the market with excess supply that would reduce potential sales profits; indeed, their inclination is the opposite – to stall until there is greater certainty and potential for new supply to be absorbed at a higher rate of return on investment.

A further aspect of friction is in the financing part of the system. For builders developing new sub-divisions and multi-unit condo developers, lenders require a minimum level of pre-sales before they will advance construction financing. And CMHC itself, in its loan insurance underwriting, imposes similar constraints on construction financing loans. These policies and practices act to prevent flooding the market with product for which there is no potential purchasers.

What Government should do

The critical drivers of excessive price increase and rents were:

- A combination of extremely low mortgage rates and large windfall gains from increasing prices (which together massively fueled capacity to bid up prices); and

- Unmanaged population growth dominated by temporary foreign workers and international students, populations that almost always rent and create excessive rental demand.

The issue of insufficient supply is a by-product of excessive demand, and the inability of supply to react quickly. Housing supply is inherently inelastic and takes a long time to ramp up and respond to changes in demand, so managing the issue dictates a parallel response to address these demand pressures.

Addressing demand from international students and temporary foreign workers

- Foremost among this is a more carefully managed process for international students and temporary workers. The sheer volume of such immigrants (which is over and above to managed permanent resident target) has overwhelmed the rental sector, so must be recalibrated with efforts to expand rental construction. Notably while home prices have subsided over the past year, rents have continued to rise at double digit levels – fueled by this excessive demand.

Impact of appreciation in fuelling price escalation

In the ownership part of the housing system recent actions by the bank of Canada to manage inflation by raising the bank rate have helped to stop and reverse the trajectory of price change. This may be a temporary pause, and the market is expected to resume an upward trend once interest rates begin to fall.

The other critical element causing price escalation was the enhanced capacity to buy, drawing from appreciation and equity (windfall) gains for existing owners. Two thirds of home purchases come from existing owners (either upscaling, downsizing or buying investment properties). Armed with this extra equity from selling or borrowing against an existing home these buyers are driving up prices, and first-time buyers are unable to compete. Improving the potential for renters to buy will remove some of the pent-up demand from the rental sector, which further adds to rent pressures.

- To level this playing field, part of the windfall gain should be taxed. Such gains are unearned incomes that undermine economic productivity and the public interest. This could be achieved by introducing a federal property transfer tax on home sales. All provinces have already implemented such a tax – but tax the purchaser, adding additional costs for first time home buyers. A federal transfer tax should tax the vendor, and erase part of their excess purchasing power. Even better would be a combined Federal-Provincial land transfer tax on the vendor, and elimination of the provincial taxes on purchasers. This would redistribute those windfall gains and provide the federal government with much needed revenues to fund new targeted affordable housing initiatives.

Addressing erosion of existing private rental affordable housing

While subsidies can assist in adding new targeted affordable supply, it is critical to concurrently manage the ongoing loss of lower rent units. The distribution of renters by income band against equivalent rent bands (i.e., incomes of \$20,000-\$30,000 who can afford \$500-\$750) identifies an absolute lack of lower rent homes. The ongoing erosion at the lower end of the rent distribution due to excessive rent increases, as revealed in the rentals.ca data and reported by Pomeroy 2023, exacerbates this shortage.

- To address this erosion the National Housing Strategy must be augmented with a financing and funding mechanism to enable non-profits to acquire and preserve existing low-moderate rent properties – an approach that is more cost effective and quick than new supply.

Addressing rental affordability more directly

- Expansion of income assistance and housing allowances (Canada Housing Benefit) can be more effective in directly and quickly addressing high shelter cost burdens for many that are already adequately and suitably housed (88% of core need have only an affordability problem – we don't need to build them a home; we just need to help pay their current excessive rent).
- Alongside expanded housing allowances, the risk of escalating costs caused by excessive rent increases must be managed through stronger rent regulation. This should include a review by provinces of the prevailing policy to permit vacancy decontrol. Introducing, at least temporarily while supply catches up, some limit on increases for vacant units (including exempting recent and newly constructed properties to avoid creating a supply disincentive) can provide critical relief to renters required to move.

Updating and generating more realistic targets for supply

Given recent high levels of immigration, particularly from students and temporary workers, we need to increase supply. But this requires a more realistic and meaningful approach to estimating housing requirements – including a sufficient surplus beyond demographic and migration estimates to enable mobility and choice. Given that the 3.5 million homes number is a theoretical and unrealistic number, it should be refined and clearly repositioned.

Rather than relying on the CMHC theoretical analysis, and an expectation that the stakeholders in the housing system have the capacity and motivation to flood the market with new supply, more realistic estimates of housing requirements (demand) must be determined.

High prices, alongside other labour market and economic factors, have acted to suppress new household formation (adult children “forced” to remain in parental home), so additional homes at affordable prices/rent will be required to enable young cohorts to transition into independent

housing careers. The number of new homes required must also consider demolition of existing homes due to an emphasis on intensification.

Some level of additional supply should also be quantified to restore health and balance to the housing system. In the rental sector there has been a well-established guideline (although of uncertain origin) that a 3% vacancy rate is a useful benchmark for a balanced market: moderating excess rent pressure but still incentivizing investment. A similar benchmark of balance could be estimated for the ownership part of the system. And some proportion of new construction directed to deeper affordability needs is necessary, including an expansion of funding initiatives to support construction of permanent supported housing and deeply affordable options which are critically needed to address homelessness and the recent phenomenon of encampments.

These are all quantifiable amounts and as a first step this work should be undertaken, and realistic minimum targets established as **minimum supply targets** – and these should be used in both provincial-municipal planning as well as in initiatives like the Housing Accelerator Fund (HAF) – currently there is a complete disconnect between the HAF targets and the CMHC ambition.

But any recalibration of supply targets must also be supplemented and complemented by policies to better manage demand factors, especially immigration levels, as outlined above.

As leading bank Economists [Douglas Porter, Robert Kavcic both of BMO articulated](#) following the Sept 2023 CMHC update:

It's good to have lofty aspirations for homebuilding given the tightness in Canada's housing market and rapid-fire population growth. But we can't be led down a blind alley of wildly unrealistic targets; then, expect a major push to build will alone solve affordability strains. If demand is allowed to continue to run amok, then even torrid supply will simply be quickly swallowed whole.

It is unfortunate that, governments at both the federal and provincial levels, reinforced by the CMHC supply analysis, have bought into the chronic undersupply argument, and responded only with a strong supply side bias (e.g. the Housing Accelerator Fund, removal of GST from new rental construction). They have indeed been led down this blind alley by the theoretical but unrealistic CMHC supply estimate. It's time to revisit and update that assessment to develop realistic targets and actions to facilitate appropriate expanded supply together with a range of complementary measures to better manage demand.

National Housing Council

Progressive Realization of the Right to Adequate Housing: Literature Review.

Purpose

The National Housing Council (the Council) commissioned a literature review in an effort to gather information and establish a concrete vision for what the progressive realization of the right to adequate housing should look like in the Canadian context. Findings from this review will help inform its recommendations to the Minister of Housing and Diversity and Inclusion.

Consultants' Literature Review

The National Right to Housing Network was commissioned by the Council to do this research and to survey the existing literature in order to answer the following fundamental questions:

1. What is the right to adequate housing and progressive realization with respect to this right within a Canadian context, specifically within the federal jurisdiction?
2. What has been committed to thus far by the Canadian government, as well as the Provincial/Territorial governments around the right to adequate housing?
3. What are the duties and responsibilities of various levels of government, including commitments made at the international level and implementation at national level with respect to this right?
4. What has the government accomplished so far and what are the steps the government is currently taking to progressively realize the right to adequate housing?
5. What are the mechanisms in place to protect the right to adequate housing in Canada including strengths and weaknesses of these mechanisms and what is missing compared to other international models?
6. What are Federal, Provincial, Territorial partnerships with respect to this right within Canada that can be leveraged to ensure this right to adequate housing is being progressively realized at all levels?
7. What are the barriers in place to achieving the progressive realization of the right to adequate housing in Canada, including legal challenges around this work?
8. What are relevant metrics and best practices that exist internationally to measure the progressive realization of the right to adequate housing?
9. What is the role that private, non-profit, and public sector institutions can and have played with respect to this right in countries around the world?

Council's Review

- On December 10, 2021, the Council voted to publish this literature review and agreed to use this research to help inform their future recommendations to the Minister.

Next Steps

- Consultations and engagement with people with lived experience and expertise of housing need and homelessness to further explore this topic will be conducted in early 2022.

If you have any questions about this work, please contact the National Housing Council Secretariat at nationalhousingcouncil@cmhc-schl.gc.ca.

Disclaimer: *Please note that this is a piece of research commissioned by the National Housing Council. The views expressed in this literature review are the personal views of the authors and do not reflect the views or positions of the National Housing Council, the Government of Canada or Canada Mortgage and Housing Corporation (CMHC). The National Housing Council, the Government of Canada and CMHC accept no responsibility for the views expressed in such literature review or any consequences that may arise in using or relying on this literature review.*

About the Council

In July 2019, the National Housing Strategy Act (NHTSA) became law. The NHTSA, among other things, recognizes that a National Housing Strategy supports the progressive realization of the right to adequate housing. The Act includes the establishment of a National Housing Council.

The Council's mandate is to provide advice to the Minister of Housing and Diversity and Inclusion and further the housing policy of the Government of Canada and the National Housing Strategy. Drawing on the diverse expertise and experience of its membership, the Council promotes participation and inclusion in the development of housing policy through the diversity of its members and engagement with communities.



2022

PROGRESSIVE REALIZATION OF THE RIGHT TO ADEQUATE HOUSING: A LITERATURE REVIEW

Prepared for the National Housing Council by
**MICHÈLE BISS, BRUCE PORTER,
SAHAR RAZA, & DAVID DESBAILLETS**



THE NATIONAL
RIGHT TO HOUSING
NETWORK

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Executive Summary

In 2019, the Government of Canada passed its first right to adequate housing legislation establishing a National Housing Council, review panels, and Federal Housing Advocate. The legislation, entitled the *National Housing Strategy Act* (NHTSA), invokes Canada's commitment to the International Covenant on Economic, Social, and Cultural Rights and presents a transformative paradigm shift in which the experiences and voices of rights-holders are centred in the development of Canada's housing and homelessness laws, policies, and programs.

This paper has been commissioned by the National Housing Council to review relevant research on the progressive realization of the right to adequate housing, with particular attention paid to implementation and avenues to progressively realize this right within the Canadian context. Recognizing that this is an evolving area of research—particularly when it comes to applying the right to adequate housing—the authors of this literature review draw from academic analyses, international human rights monitoring bodies and recommendations, and transnational best practices. They also draw from a meeting they convened in July 2021, where international and domestic housing and human rights experts—alongside members of the National Housing Council's Working Group on Progressive Realization of the Right to

Adequate Housing—explored key research questions and resources.

What is the right to adequate housing?

The right to adequate housing as articulated in the NHTSA is presented as a mechanism by which the *International Covenant on Economic, Social, and Cultural Rights* (ICESCR) is implemented domestically. General Comment No. 4, developed by the Committee on Economic, Social and Cultural Rights, provides a framework of the seven essential features of the right, including:

- (i) legal security of tenure (which means legal protection of tenants from things like eviction)
- (ii) availability of services and materials
- (iii) affordability
- (iv) habitability
- (v) accessibility
- (vi) location
- (vii) cultural adequacy.¹

In fact, countries like Scotland and New Zealand have already used these elements to review the effectiveness of their housing strategies—but critically, the right to adequate housing has evolved beyond the 7 components and is now understood

¹ Committee on Economic, Social and Cultural Rights (CESCR), *General Comment No. 4: The right to adequate housing (Art. 11 (1) of the Covenant)* (13 December 1991) E/1992/23, Online at:

<<https://www.refworld.org/docid/47a7079a1.html>>, at para 7 [General Comment No. 4].

more broadly as the **right to live in security, peace, and dignity**. The right to adequate housing goes beyond ensuring that people have access to four walls and a roof and is grounded in the concept of dignity as experienced by rights-claimants. It requires legal protections and addresses larger financial systems, taxation measures, and regulation of financial actors.

At the core of the literature on the right to adequate housing is the key concept of a **dialogic and participatory approach** which requires governments to genuinely engage with affected communities and draw on commentary and recommendations from international human rights bodies (like UN treaty bodies and Special Rapporteurs). In practical application, this means centring rights-claimants in participatory processes throughout decision- and policy-making; for example, the Council could urgently recommend a process where all levels of government come together to discuss implementation of a certain housing remedy with rights-claimants.

Intersections of the right to adequate housing with Canada's other international commitments

Canada has ratified a number of human rights conventions including the *UN Convention on the Rights of the Child* (CRC), *Convention on the Elimination of All forms of Racism* (CERD), *Convention for the Elimination of Discrimination Against Women* (CEDAW), *Convention on the Rights of Persons with Disabilities* (CRPD),

and *UN Declaration on the Rights of Indigenous Peoples* (the Declaration)—all of which also include a commitment to the right to adequate housing. Canada has also ratified three optional protocols which provide Inquiry and Complaints procedures for the *Convention on the Rights of Persons with Disabilities*, the *Convention on the Elimination of Discrimination Against Women*, and the *Convention on Civil and Political Rights*. Importantly, recommendations through these intersecting treaties and optional protocols have been, and will continue to be, made to Canada that are critical for the Council, including the Cecilia Kell v. Canada² case about access to housing for Indigenous women in Northern Canada.

Moreover, while Canada has not ratified the Optional Protocol for the *Convention on Economic, Social, and Cultural Rights*, literature suggests that Canada can still look to the complaints and decisions of other countries to understand how the *International Covenant on Economic, Social, and Cultural Rights* could be applied under the *National Housing Strategy Act*.

Intersecting Indigenous rights

Given that the authors of this paper are all settlers, we encourage readers to engage with the complimentary research conducted by Indigenous authors (and commissioned by the National Housing Council's Progressive Realization Working Group) on the intersections of housing rights and Indigenous rights. This work will be critically important as First Nations,

² Jessie Hohmann, Lolita Buckner Inniss, and Enzamaría Tramontana, "Cecilia Kell v Canada" in

Loveday Hodson and Troy Lavers (eds.), *Feminist Judgments in International Law* (Hart 2019).

Métis, and Inuit persons disproportionately bear the brunt of Canada's housing crisis. Métis, Inuit, and many First Nations peoples do not live on reserve, but instead in large and small urban, rural, northern, and/or remote areas. The result is that many Indigenous peoples are not covered or addressed by treaty and legal processes—including those that may protect the right to adequate housing.

There is a gap in literature on the right to adequate housing and its intersections with Indigenous rights in Canada, though the work of the Council in this area is anticipated to be heavily influenced by Bill C-15 on implementing the UN Declaration on the Rights of Indigenous Peoples. In the meantime, we can also look to authoritative guidance in: the UN Special Rapporteur on the right to adequate housing's thematic report on the right to housing and Indigenous Peoples,³ the [National Inquiry into Missing and Murdered Indigenous Women and Girls'](#) final report and Calls to Justice, and the [Truth and Reconciliation Commission of Canada's reports](#) and 94 Calls to Action.

Applying the right to adequate housing: How Canada is doing to meet international human rights law

There is a wealth of recommendations from UN authorities, including UN treaty bodies and Special Rapporteurs on

measures required to bring Canadian law, policies, and programs in line with the right to adequate housing. For example, the UN Committee on Economic, Social, and Cultural Rights (CESCR, or Committee on ESC Rights) has commented on taxation and financialization of housing, and recommended that Canada, “ensure the mobilization of resources sufficient for implementing economic, social and cultural rights, with special attention paid to disadvantaged and marginalized individuals and groups.”⁴ Other key recommendations have been to address the lack of social housing units developed through Canada's National Housing Strategy, and to remedy Canada's failure to address widespread homelessness as an urgent violation of the right to life and health as well as the human right to adequate housing.

The National Housing Council, review panels, and Federal Housing Advocate will have the new role of hearing from rights-claimants, assessing whether or not the Government of Canada has violated the right to adequate housing, and identifying measures necessary to address systemic barriers (via recommendations to the relevant Minister). The standards that will be invoked to do this include **a standard of reasonableness** for assessing compliance with progressive realization under the ICESCR (best defined in a seminal South African case called *Grootboom*⁵). This requires that housing

³ UN General Assembly, Report of the Special Rapporteur on adequate housing (17 July 2019) A/74/183, Online at: <<https://undocs.org/A/74/183>> [UN Special Rapporteur Report on the Right to Housing of Indigenous Peoples].

⁴ Committee on Economic, Social and Cultural Rights (CESCR), *Concluding observations on the sixth periodic report of Canada* (23 March 2016)

E/C.12/CAN/CO/6, Online at: <<https://undocs.org/E/C.12/CAN/CO/6>>

⁵ *Grootboom and Others v Government of the Republic of South Africa and Others* - Constitutional Court Order (CCT38/00), 2000 ZACC 14.

policies: respond to the circumstances of the claimants and ensure their human dignity; target and prioritize those in greatest need; address underlying systemic racism, colonization and socioeconomic inequality; adopt a comprehensive approach, so as to meet a diversity of needs; ensure participation and meaningful engagement with rights-holders; and ensure cooperation and coordination among all orders of government.

Another key standard for consideration is that of a **maximum of available resources**, which looks at whether Canada’s budgeting, programming, taxation measures, goals, and targets measure up to its international and domestic commitments to eliminate homelessness and realize the right to adequate housing within the shortest possible time based on available resources. This standard, alongside relevant recommendations from UN agencies, organizations, and experts—and especially rights-holders—will be particularly important for the National Housing Council to consider as it reviews Canada’s National Housing Strategy.

Metrics and best practices in measuring the right to adequate housing

Two key models to measure the right to adequate housing include the OPERA method—to analyze the outcomes, policy efforts, resources, and assessment of government efforts alongside human rights obligations—and the “process”,

“structural”, and “outcomes” indicators approach. Both methodologies look not only at numbers, but also lived experience and access to justice—i.e., whether rights claimants are genuinely able to exercise their human right to adequate housing and hold governments to account. As outlined in the literature review, many human rights investigations in other countries have been undertaken using the OPERA method.

Federal, provincial, and territorial partnerships

Across the literature is evidence that the biggest barrier to implementation of the right to adequate housing in Canada is its jurisdictional divides. These are often used as a shield or defence—by various levels of government—to prevent the meaningful implementation of the right to adequate housing. Instead, however, the right to adequate housing can be used as a framework through which responsibilities can be clearly allocated, and the right realized through cooperation among different levels of government.

Collaboration can be ensured, for example, through methods like inter-ministerial meetings on human rights, reviews of provincial and territorial action plans to progressively realize the right to adequate housing, and collaboration with municipal governments. In fact, it is a fundamental requirement of international human rights law that a State does not invoke domestic jurisdictional restrictions to justify non-performance of treaty obligations.⁶

⁶ *Vienna Convention on the Law of Treaties* (23 May 1969), Article 27.

Though many aspects of compliance with the right to adequate housing involve overlapping jurisdiction, federal spending power and its capacity to coordinate actions among different orders of government means that the federal government may almost always take action to ensure compliance with international human rights obligations. Such action may include making such compliance and collaboration a condition of receiving transfer payments. Thus, while the lack of jurisdictional coordination across levels of government to progressively realize the right to adequate housing is a major barrier to implementation, the right to adequate housing itself provides a unique framework to encourage interjurisdictional collaboration.

Government responsibilities

As novel legislation, the NHSA offers a unique opportunity to end the housing and homelessness crisis in Canada by applying the progressive realization of the right to adequate housing. The right to adequate housing transforms the relationship between rights holders and governments and requires Canada to:

- Start with **meaningfully engaging** with claimant community about their circumstances and dignity interests.
- Identify and **prioritize** those in the most extreme or vulnerable circumstances.
- **Engage in good faith** with treaty body recommendations.

- Address **systemic discrimination and socioeconomic inequality**, with particular attention paid to the rights of Indigenous peoples, women, persons with disabilities, persons relying on social assistance, racialized groups, and persons experiencing homelessness.
- Ensure a **“comprehensive” approach** by hearing from diverse perspectives.
- Exercise national leadership to allocate responsibilities and ensure co-operation of **all orders of government**, including through funding and inter-governmental agreements.
- Ensure **appropriate budgeting and resource allocation** based on "maximum of available resources" standard including all appropriate taxation measures.
- Ensure **access to justice** and accountability for the right to adequate housing and within all housing programs and areas of governance affecting the right to adequate housing.
- Ensure **independent monitoring** and assessment of progress.
- Use **all appropriate means**, including regulatory and legislative measures, to ensure that investment and actions of private and non-governmental actors contribute to and do not undermine progressive realization of the right to adequate housing (e.g., **regulate private actors** to address financialization of housing).

- Incorporate a "transformative" dimension to all legislation, regulation, planning, and decision-making to ensure the progressive realization of the right to adequate housing within **the shortest possible time**. This involves ensuring that housing policies (particularly national strategies on housing and homelessness) have goals grounded in, and consistent with international human rights law.
- **Avoid any retrogressive measures**, except where absolutely necessary and in times of crisis, with provisions to ensure that vulnerable groups are not affected.

The National Housing Council has a challenging task: alongside the Federal Housing Advocate and rights-claimants, members will make Canada's new and transformative approach to the right to adequate housing live. This important task is one that could genuinely end Canada's housing and homelessness crisis if the NHTA's core commitments to the right to adequate housing as recognized under international human rights law are treated, as proposed by the Supreme Court of Canada, not as "theoretical aspirations or legal luxuries, but moral imperatives and legal necessities."⁷

⁷ *Nevsun Resources Ltd. v. Araya*, 2020 SCC 5 para 1.

THE RIGHT TO HOUSING 101

WHAT IS THE RIGHT TO HOUSING?

According to the UN, the right to housing means all people have the “right to live somewhere in **security, peace and dignity.**” While this doesn’t mean that governments have to provide a home to everyone, it does require them to **implement reasonable policies and programs, within available resources,** to ensure the right to housing for all **within the shortest possible time.** It also means that priority must be given to vulnerable groups and those in greatest need of housing. What is considered "reasonable" varies depending on the context. What does the right to housing look like for Canada?

THE CANADIAN CONTEXT

- Although not all components of the right to housing can be achieved immediately, in a rich country like Canada, the government must ensure that everyone has access to adequate housing within a reasonable period of time. In fact, the government of Canada has committed internationally to ensuring adequate housing for all by 2030 under the Sustainable Development Goals.
- Canadian governments must recognize that widespread homelessness and inadequate housing in an affluent country such as Canada constitutes a serious human rights violation demanding urgent action.
- The UN has said that Canada must put in place a housing strategy with legislated goals; timelines; a process for hearing complaints; and independent monitoring and accountability.
- Governments must ensure the right to housing is enjoyed equally without discrimination of any form.
- Homelessness amongst Indigenous Peoples should be considered as a consequence resulting from Canada’s history of colonization and exploitation of Indigenous land and populations.
- Governments must ensure security of tenure, protection from forced evictions and displacement, and preservation of affordable housing and communities.

WHAT IS CONSIDERED "ADEQUATE" HOUSING IN CANADA?

Adequate housing means more than four walls and a roof. Overall, the right to housing entitles everyone to live in peace, security, and dignity. The UN has also stated that a number of conditions must be met before housing can be considered adequate.

- **AVAILABILITY OF SERVICES, MATERIALS, FACILITIES & INFRASTRUCTURE**, including safe drinking water, adequate sanitation, and affordable heating.
- **SECURITY OF TENURE**, including legal protection against forced evictions, harassment and other threats.
- **AFFORDABILITY** such that the cost of adequate housing does not threaten or compromise your enjoyment of other human rights.
- **HABITABILITY**, such that housing must provide a safe, healthy, and secure environment in which to thrive.
- **ACCESSIBILITY**, so that housing meets the needs of disadvantaged and marginalized groups including persons with any form of disability.
- **LOCATION** of housing must provide access to employment opportunities, education, health-care, and social services.
- **CULTURAL ADEQUACY**, meaning housing must respect and take into account the expression of cultural identity.

Special Rapporteur's Checklist for a Rights Based Housing Strategy [A/HRC/37/53](#)

Principle 1: based in law and legal standards: Is there legislation to give the housing strategy legal effect? Does it recognize the primacy of the right to housing as a legal right subject to effective remedies? Does it map a process for its realization, identifying both immediate and progressive obligations consistent with maximum of available resources?

Principle 2: prioritize those most in need and ensure equality: Does the strategy prioritize those most in need, ensure substantive equality and respond to the particular circumstances of groups facing discrimination? Are the effects of colonization addressed in a manner consistent with the United Nations Declaration on the Rights of Indigenous Peoples?

Principle 3: comprehensive and whole-of-government: Is the strategy comprehensive, including all dimensions of the right to housing and addressing all relevant issues, policies, groups and regions? Does it engage all levels and spheres of government?

Principle 4: rights-based participation: Does the strategy ensure rights-based participation through specific mechanisms? Is meaningful participation guaranteed in the design, implementation and monitoring of the strategy, and is support provided for the participation of marginalized groups?

Principle 5: accountable budgeting and tax justice: Does the strategy ensure the allocation of maximum available resources? Does it include measures to address inequalities and injustices in the tax system, including tax avoidance, and does it ensure that taxation promotes the realization of the right to housing?

Principle 6: human rights-based goals and timelines: Does the strategy include reasonable goals and timelines that are based on human rights indicators and subject to rigorous monitoring and enforcement?

Principle 7: accountability and monitoring: Does the strategy provide for an independent monitoring body with jurisdiction to address systemic issues directly with Governments and in a variety of forums?

Principle 8: ensuring access to justice: Does the strategy ensure effective claiming mechanisms for the right to housing through courts and other means, including where violations result from failures to progressively realize the right to housing?

Principle 9: clarify the obligations of private actors and regulate financial, housing and real estate markets: Does the strategy clarify the obligations of private actors and ensure regulation of financial, housing and real estate markets, consistent with all aspects of States' obligations, including the obligation to fulfil the right to housing?

Principle 10: implement international cooperation and assistance: Does the strategy incorporate international cooperation and assistance and engage international financial institutions so as to address global challenges to the right to adequate housing?



GUIDELINES ON THE IMPLEMENTATION OF THE RIGHT TO ADEQUATE HOUSING

UN SPECIAL RAPPOREUR ON THE RIGHT TO ADEQUATE HOUSING, LEILANI FARHA

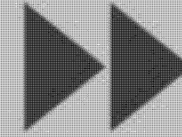
UN Human Rights Council Report (A/HRC/43/43)

Infographic by UN Human Rights Cambodia Office



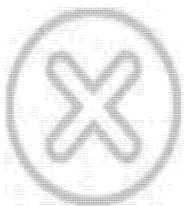
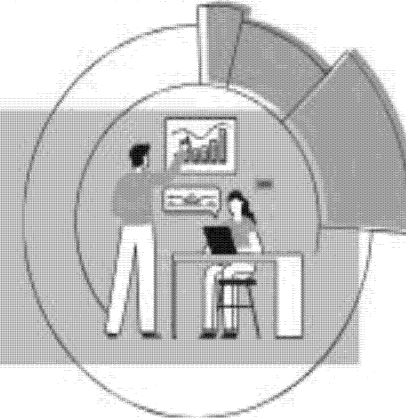
1. GUARANTEE THE RIGHT TO HOUSING AS A FUNDAMENTAL HUMAN RIGHT LINKED TO DIGNITY AND THE RIGHT TO LIFE

2. TAKE IMMEDIATE STEPS TO ENSURE THE PROGRESSIVE REALIZATION OF THE RIGHT TO ADEQUATE HOUSING IN COMPLIANCE WITH THE STANDARD OF REASONABLENESS



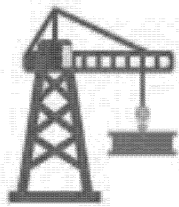
3. ENSURE MEANINGFUL PARTICIPATION IN THE DESIGN, IMPLEMENTATION AND MONITORING OF HOUSING POLICIES AND DECISIONS

4. IMPLEMENT COMPREHENSIVE STRATEGIES FOR THE REALIZATION OF THE RIGHT TO HOUSING



5. ELIMINATE HOMELESSNESS IN THE SHORTEST POSSIBLE TIME AND STOP THE CRIMINALIZATION OF PERSONS LIVING IN HOMELESSNESS



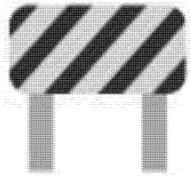


6. PROHIBIT FORCED EVICTIONS AND PREVENT EVICTIONS WHENEVER POSSIBLE

"States continue - with impunity - to evict people from their homes, contrary to international human rights law"

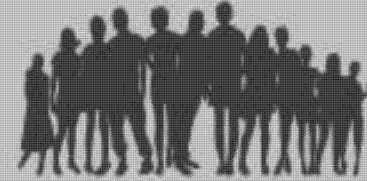
"[F]orced eviction [is] a gross violation of human rights... evictions ... can only occur as a last resort, must be carried out with dignity, and must never result in homelessness."

"No private investment or development should be permitted without ensuring that it also respects the right to housing."



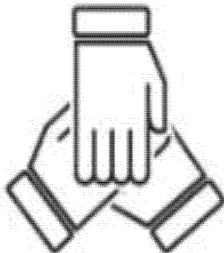
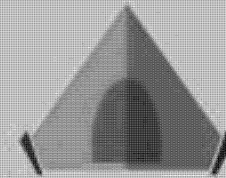
7. UPGRADE INFORMAL SETTLEMENTS INCORPORATING A HUMAN RIGHTS-BASED APPROACH

8. ADDRESS DISCRIMINATION AND ENSURE EQUALITY

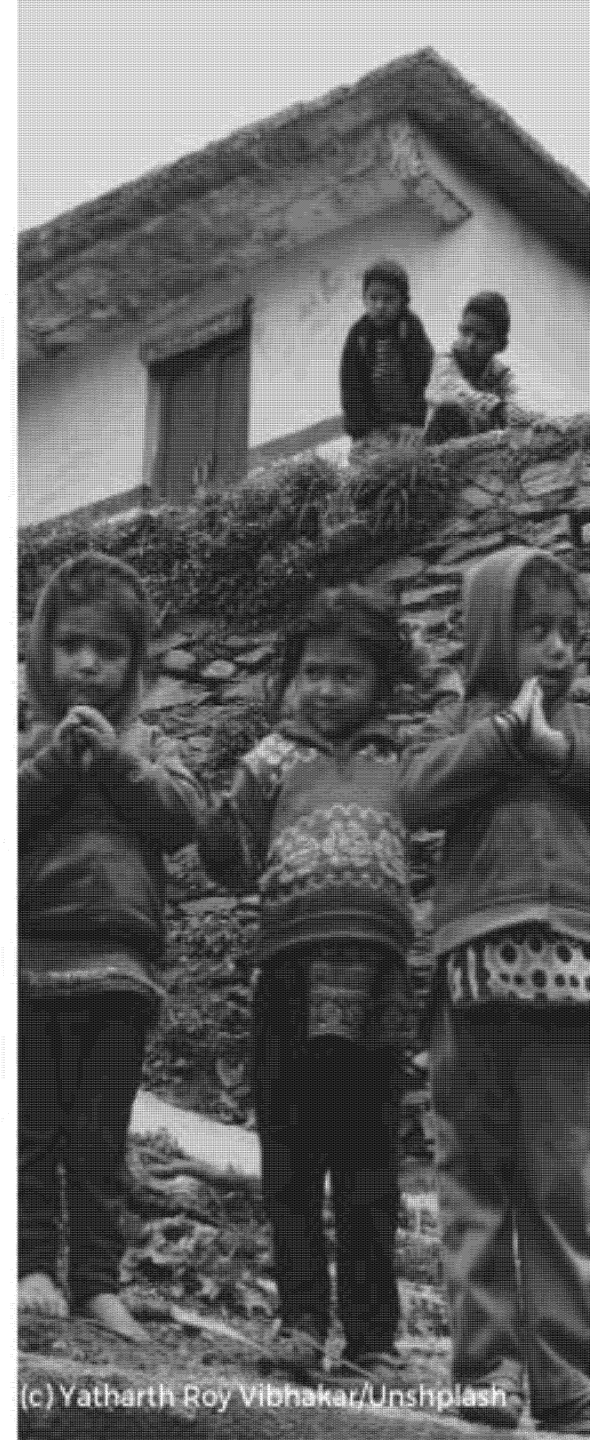


9. ENSURE GENDER EQUALITY IN HOUSING AND LAND

10. ENSURE THE RIGHT TO ADEQUATE HOUSING FOR MIGRANTS AND INTERNALLY DISPLACED PERSONS



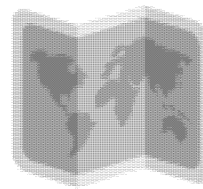
11. ENSURE THE CAPACITY AND ACCOUNTABILITY OF LOCAL AND REGIONAL GOVERNMENTS FOR THE REALIZATION OF THE RIGHT TO ADEQUATE HOUSING





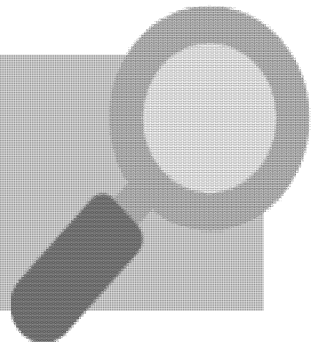
12. ENSURE THE REGULATION OF BUSINESSES IN A MANNER CONSISTENT WITH STATE OBLIGATIONS AND ADDRESS THE FINANCIALIZATION OF HOUSING

13. ENSURE THAT THE RIGHT TO HOUSING INFORMS AND IS RESPONSIVE TO CLIMATE CHANGE AND ADDRESS THE EFFECTS OF THE CLIMATE CRISIS ON THE RIGHT TO HOUSING

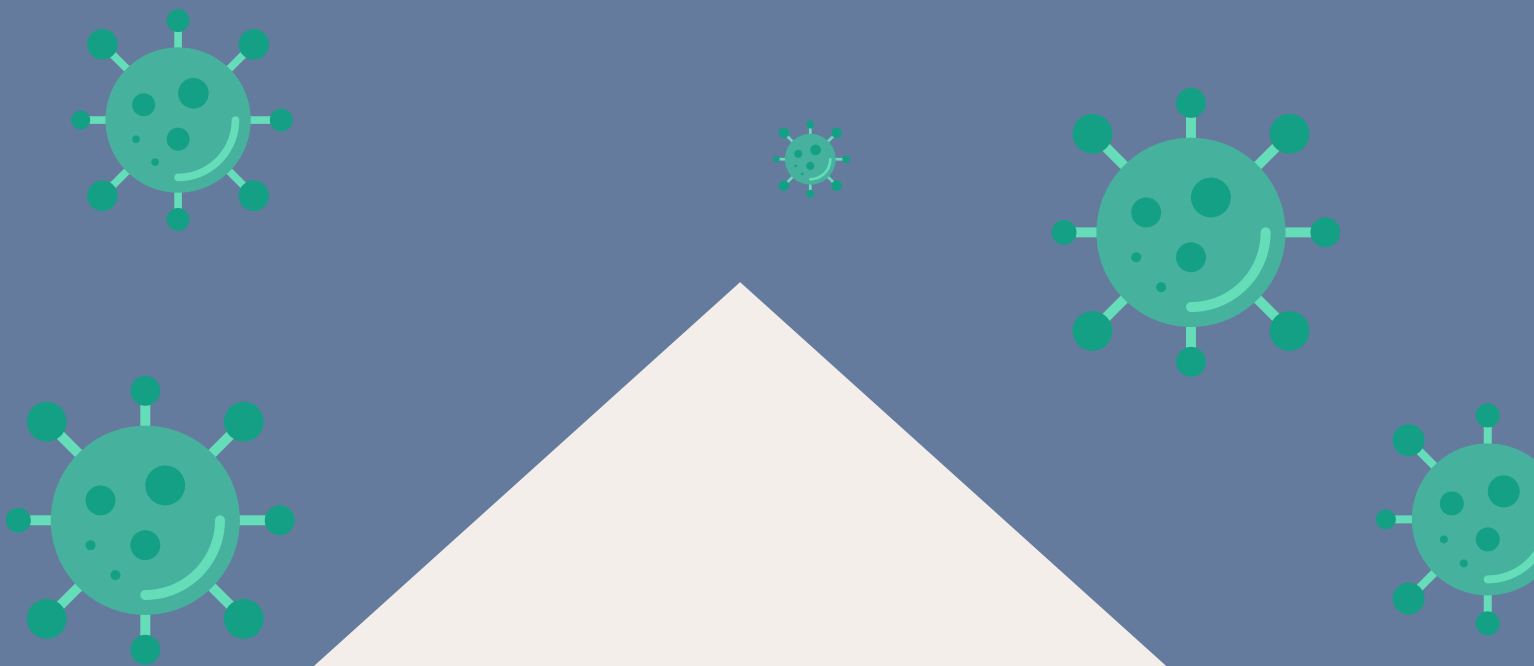


14. ENGAGE IN INTERNATIONAL COOPERATION TO ENSURE THE REALIZATION OF THE RIGHT TO ADEQUATE HOUSING

15. ENSURE EFFECTIVE MONITORING AND ACCOUNTABILITY MECHANISMS



16. ENSURE ACCESS TO JUSTICE FOR ALL ASPECTS OF THE RIGHT TO HOUSING



COVID-19 AND THE RIGHT TO HOUSING

Impacts and the way forward

[A/75/148](#)

Report to 75th UN General Assembly by the Special
Rapporteur on the right to adequate housing,
Mr. Balakrishnan Rajagopal

INTRODUCTION

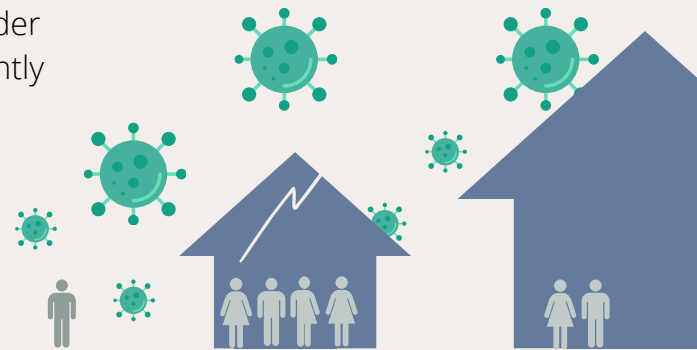
The report underscores that housing has emerged as a key defense against COVID-19. At the peak of the COVID-19 emergency response, more than 3.9 billion people, or half of the world's population, were asked or ordered to stay at home by their governments.

However, 1.8 billion people do not have a decent home and live in informal settlements where physical distancing is difficult or impossible. Many millions, especially renters and small landlords, are at risk of losing their home due to the economic impact of the pandemic. Too many people live in overcrowded homes in which it is hardly possible to self-isolate. Millions lack adequate access to water and sanitation to follow hygiene recommendations. And many have no home at all and live in street situations or in encampments.

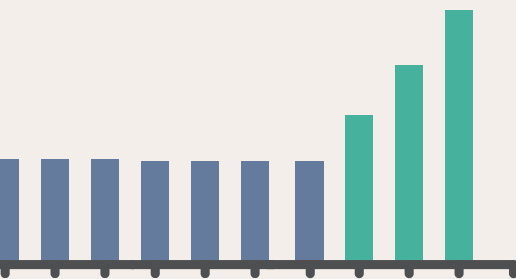
KEY FINDINGS

First, **the impact of the pandemic on the right to housing has been very unequally distributed**, reflecting pre-existing hierarchies and inequalities along racial, gender and other lines. Mortality and infection rates are significantly higher among minorities and other vulnerable groups.

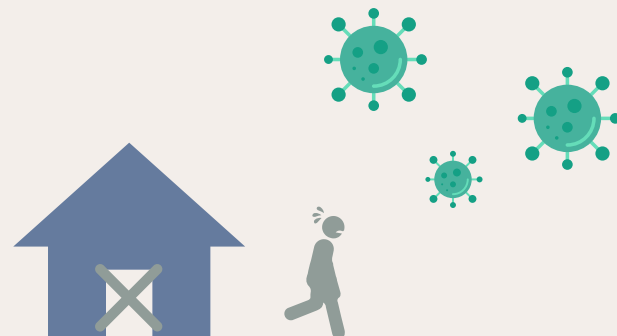
Inadequate housing conditions for millions of marginalized people have contributed to excessive, and largely preventable, levels of death and suffering. The economic crisis caused by the pandemic is **further entrenching these inequalities**.



Second, while the pandemic continues to rage, many **temporary mitigation measures have either already ended or may soon do so**. An unprecedented spike in evictions, hunger, homelessness and, eventually, mortality is therefore to be expected.



Third, **forced evictions have continued**, if not accelerated, during the pandemic. Homeless persons, persons who live in informal settlements, migrant workers and many other vulnerable groups are now facing **worsening conditions, with a heightened risk of infection**, community spread of the virus and mortality.



METHODOLOGY

To inform his report the Special Rapporteur invited States, local Governments, National Human Rights Institutions, UN agencies and civil society organizations to respond to a questionnaire and submit relevant information. In addition virtual consultations were held with States, local Governments and civil society organisations on 10, 16 and 24 June 2020.

[Responses to the questionnaire are available on the OHCHR website.](#)

THE RIGHT TO ADEQUATE HOUSING

It is recognized in international norms that the right to housing must be central to any response to the pandemic, and such norms contain calls for a rights-based response in measures to tackle it. Under international human rights law, the right to adequate housing cannot be subject to any derogation, and thus exceptional circumstances do not allow States to ignore the prohibition on forced evictions or to flout their obligation to protect the right to adequate housing.

Most poor communities, including marginalized communities, lack adequate housing, and in informal settlements and collective or substandard housing, physical distancing, which is sought through stay-at-home orders, has become hard to achieve. For persons experiencing homelessness, there is nowhere to hide from the virus unless they are granted access to affordable housing that ensures privacy and physical distancing. As a result of stay-at-home orders, an increased number of women and children have become victims of domestic abuse, and for them housing is not “safe”

POLICY RESPONSES

The Special Rapporteur welcomes that many countries have temporarily postponed evictions, offered relief to renters or mortgage payers or found temporary housing for homeless populations. The temporary mitigation measures taken by States and local governments prove that national laws and policies can be changed or interpreted to better protect the right to housing. What is needed now is the political will to turn temporary measures into more permanent solutions that ensure the protection and realization of the right to adequate housing for all.

Examples of positive measures include:

Providing water and sanitation facilities for informal settlements

Making a concerted effort to end street homelessness

Preventing evictions, through local, provincial, or national bans

Many States increased or established new social transfers to households to help them to cover rental, mortgage and other costs for their survival. Some States prohibited any utility service cut-offs to prevent energy poverty and ensure continued access to safe water and sanitation. Many of these measures should be renewed and be in force until the end of the pandemic is in sight, starting with a global moratorium on evictions.

GROUPS IN SITUATIONS OF VULNERABILITY



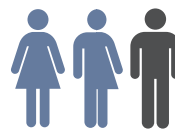
Racial and ethnic minorities and indigenous peoples



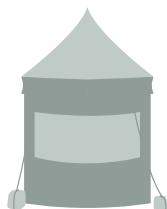
Women and children



Older persons and persons with disabilities



Lesbian, gay, bisexual and transgender persons



Residents of informal settlements



Persons experiencing homelessness



Persons living in institutionalized settings or in situations of conflict or violence



RECOMMENDATIONS



- The right to housing should be a key element of response and recovery measures to the pandemic. This requires that sufficient resources are allocated towards realising the right to adequate housing for all.



- States should halt all evictions proceedings, including against non-national residents, and to end the sweeping of encampments or tents of homeless people.



- National and local governments should house people experiencing homelessness in hotels or make vacant housing and buildings accessible to them. Homeless people should not be put back on the street.



- Recovery measures should not be discriminatory and should leave no one behind. Special measures must be put in place to guarantee that groups who have been subjected to systemic discrimination and marginalization benefit from the response and recovery measures. In order to address effectively marginalization and discrimination in relation to housing, data disaggregated by race, gender, caste, religion, disability, sexual orientation or gender identity must be collected and shared publicly.



- States should consider rent caps and subsidies for tenants and small landlords, and ensure that a global health crisis does not become a global housing crisis. As a general goal no one should have to pay more than 30 percent of her or his income towards housing.



- States should constrain the role of private equity firms as landlords and improve rights and protections of tenants.



- Low income countries should receive adequate development financing so that they can continue to address grossly inadequate housing conditions.

[Read the entire report](#)

COVID-19 GUIDANCE NOTES

Additional guidance notes developed by the previous Special Rapporteur on the right to adequate housing, Ms. Leilani Farha, are available here for download. These Guidance Notes have been endorsed by Mr. Rajagopal.

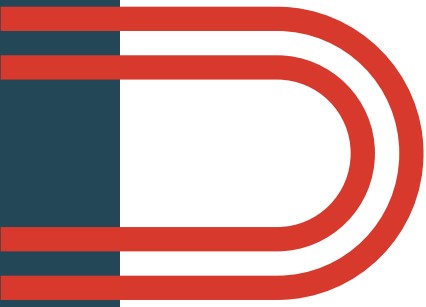
**Prohibition
of evictions**

**Protecting
Residents in
Informal
Settlements**

**Protection for
those living in
Homelessness**

**Protecting
renters and
mortgage payers**

**Protecting housing
from financialization
and building back a
better future**



Written Hearing Record

Submitted by: The Shift

Province: Ontario

FINANCIALIZATION REVIEW PANEL

SUBMISSION BY

THE SH/FT

LEILANI FARHA, GLOBAL DIRECTOR

JULIETA PERUCCA, DEPUTY DIRECTOR

SAM FREEMAN, DIRECTOR OF LEGAL RESEARCH & ADVOCACY

WHO IS THE SHIFT?

The Shift is a human rights organization working at the intersection of housing, climate change and finance. Using a human rights framework, we undertake research, standard-setting, and strategic communications, providing counsel to national and municipal governments, private investors, pension funds, academics, advocates and tenant movements, shaping the discourse and driving action on financialization, housing affordability and homelessness.



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Introduction

Purpose-built rental housing (PBR) in Canada has become financialized. Investors now own approximately 30% of all PBR units and are seeking to increase their market share further. The financialization of PBR has been catalyzed by government policy which incentivizes investment and allows investors to generate enormous profits from Canadian housing markets. Despite the significant and growing role of investors in PBR, there has been an under-examination of the real impacts of the financialization of PBR, and in particular how it may undermine the human rights of tenants.

The National Housing Council's (NHC) review on the financialization of PBR is, therefore, welcome and timely. It has the potential to help change the direction of public policy and promote the human rights of PBR tenants in Canada.

[The Shift](#) is pleased to submit this brief to the NHC's Review Panel, which covers the following:

1. The mechanics of PBR in Canada
2. The legal and policy frameworks facilitating PBR financialization
3. An evaluation of human rights responsibilities of governments and institutional investors within the PBR context
4. Dispelling the myth that current institutional housing investment is essential to address Canada's housing crisis
5. Specific actions the Federal government should undertake to regulate PBR financialization and protect tenants' human right to housing

1. Understanding the Financialization of Purpose-Built Rentals

In this section, we describe the role of financialized PBR in the Canadian economy, its business model, and practices.

1.1. PBR In the Canadian Economy

Real estate – construction, leasing/rentals, renovations, and transactions – plays an essential role in Canada's economy. In 2022, for example, real estate and rental leasing (RERL) represented the [largest percentage of Canada's GDP](#) (larger than mining, and oil and gas extraction). The overall growth of Canada's economy is often driven by real estate. In the [first quarter of 2022](#), nearly half of this growth was due to residential investment, or homebuilding.

PBR's appeal to institutional investors doesn't typically stem from its role as essential housing but as a tangible asset that amplifies wealth generation. It is closely integrated into Canada's economy, attracting investments from various financial actors. Many PBRs are owned by public companies or trusts and traded on stock markets. However, the value of PBR hinges on investment returns rather than its contribution to human well-being. This necessarily impacts why particular buildings are purchased and how buildings are managed.

1.2. Business Model & Practices

Institutional investors in PBR engage housing in three ways: i/ acquisitions of existing PBR; ii/ re-development of their property; and iii/ development of new rentals. Some institutional investors engage in only acquisitions, while others may have a mix within their portfolio.

There are two overarching principles that govern the way in which an institutional investor manages real estate (acquisition, re-development or new builds) with particular implications for human rights.

Fiduciary Duty. Public residential real estate corporations – like Real Estate Investment Trusts – posit that they owe a fiduciary duty to their shareholders and that this means prioritizing the maximization of shareholder wealth over and above tenants and their human rights. It is increasingly understood that fiduciary duty to shareholders [requires due diligence with respect to the human rights risks](#) related to business operations. Moreover, the [UN Guiding Principles on Business and Human Rights](#) suggest that preventing human rights violations of tenants is required, and thus would trump fiduciary duty owed to shareholders, where there is a conflict between the two.

Valuation. This is the “raison d’être” of the financialization of housing. Increasing the valuation of a property - primarily through ‘upgrades’ - is the means by which institutional investors in PBR make greater profits and access larger loans to continue to acquire, re-develop and build PBR.

i. Acquisitions: When buying PBR, the goal is to purchase properties with an intrinsic value greater than the purchase price at the time of sale. As a result, many institutional investors are attracted to “value add” or “under-performing” buildings: older, well-located, under-valued buildings requiring upgrades. Often, these buildings house longstanding tenants, as well as disadvantaged and low-income groups, paying below market rents.

The decision to acquire a building is based entirely on calculation to determine profit margins: [cap rates](#), the internal rate of return, the gross rent multiplier, loan-to-value ratio, cash-on-cash return. The experiences or concerns of tenants are rarely part of the determination.

Institutional investors use these properties for profit in several ways:

a. **Basic Upgrades.** Upon purchase of an older building institutional investors will undertake basic upgrades, even when deemed unnecessary by tenants, to increase the valuation of the property – new laundry machines, a keyless entry system, refurbishing

the lobby. This increased valuation of the property is then used by many institutional landlords to justify rent increases.

b. **Capital Upgrades.** An older building may justify capital improvements for which landlords seek above guideline rent increases in jurisdictions where rent caps exist. This allows them to profit in a number of ways:

- incrementally increasing rents and reducing operating expenses results in an [exponential increase to the property's market value](#).
- depending on the nature and extent of the capital upgrades, they may try to evict the tenants for the duration of the upgrade. This can result in tenants establishing themselves elsewhere and not returning to the unit. Once a unit is empty, the institutional landlord can increase the rent to market rates creating more cash flow and increasing the valuation of the property.
- institutional landlords also use the renovations to create unpleasant living environments to drive out tenants, especially if they are older, have a disability, or work from home. Once a tenant leaves, the landlord can raise the rent to market rates.

c. **Evictions.** In an attempt to increase rents, some institutional landlords are quick to evict tenants, for example, for minor arrears, or small tenancy infractions. This facilitates rent increases in jurisdictions with rent caps such as Ontario, British Columbia, Manitoba and PEI.

d. **Reduce operating costs.** Institutional landlords often reduce operating costs by, for example, firing custodians, and reducing the amount of maintenance undertaken in common areas, deteriorating the quality of life for tenants.

ii. Redevelopment

Institutional landlords often decide to re-develop older PBR. This involves evicting all of the tenants, tearing down the buildings and homes and reconstructing new housing. In some [instances](#) tenants allege that institutional investors stop upgrading buildings, allow them to fall into disrepair, and then use the state of disrepair to justify demolition and re-development. In most cases the re-development allows the institutional landlord to re-position the property from affordable to higher-end or luxury. This not only increases the revenues that can be generated from the re-building of the PBR, it increases the value of the property.

iii. New Development

The profit margins in new developments of PBR on underused or vacant land are higher than in acquisitions of value-add buildings. Because the buildings are new, revenues are high, and costs are lower due to energy efficiency and fewer maintenance issues.

2. Government Laws, Policies and Programs Supporting the Financialization of PBR

There are a host of laws, policies and programs that institutional investors in PBR use to foster their businesses. This is what makes it so difficult to challenge their actions: they act within the law, avail themselves of deals struck with governments for fee/tax waivers, or benefit from the way in which a program is structured. What follows is a non-exhaustive list:

2.1 Federal

i. [Preferential Tax Treatment of REITs](#)

REITs are the sole trusts or publicly listed company that are not required to pay corporate income tax. They argue that this is not preferential tax treatment because although they do not pay any corporate income tax, their shareholders do. This is like arguing that corporations should not pay income tax because their employees do. Moreover, many of the largest partners/unit holders in a REIT, such as pension funds or RRSPs are themselves tax exempt and smaller investors can hold their REIT shares in tax efficient accounts (e.g.: RRSP, TSFA). It has been [calculated](#) that removing the REIT corporate income tax exemption would generate an additional \$285 billion in tax revenue between 2023 and 2027.

ii. CMHC Programs – Rental Construction Financing Initiative

Launched in 2017, the Rental Construction Financing Initiative (RCFI) has become a central plank in the National Housing Strategy, aimed at increasing housing stock.

Under RCFI, housing developers can receive low-cost loans from CMHC with a 10-year fixed low interest rate, a 50-year amortization period, waiver of mortgage insurance fees, and very high [loan to cost ratios](#) (80%), if they rent just 20% of a project's units at "affordable" rates for a period of 10-years. Affordable is defined as 30% of [median family income in the area](#). It has been [calculated](#) that in almost no city in Canada would this affordability criteria result in rents at less than \$2,000/month. The calculation is inconsistent with human rights law. It is also questionable as to whether a 10-year affordability period is sufficient. The program has proved favourable with developers. Its budget bloated from \$2 million to \$25.5 million in 2021. In the 2022 budget, the government said they would adjust the affordability measure, but have failed to do so.

iii. CMHC – Mortgage Insurance

CMHC offers an "[MLI Select mortgage insurance](#)" product to those investing in PBR and other multi-residential properties. This product provides enhanced borrowing terms (higher loan-to-value, longer amortization, lower insurance premiums) based on the affordability, Green House Gas reductions, and accessibility aspects of the project. The insurance is available both for financing existing buildings and for new developments. As an incentive scheme, it does not require affordability be built into the project. Where preferential terms are sought using the affordability metric, the definition used is 30% of median [renter](#) income - likely a better measure

than median family income. The lock-in is a minimum of 10 years, with enhanced terms if maintained for 20 years. Human rights-based monitoring and assessment must be undertaken to determine who is using the program, the amount of affordability being achieved, and the needs met.

2.2 Provincial/Territorial

Institutional investors in PBR exploit weak provincial and territorial landlord tenant laws making rental accommodation more unaffordable and insecure.

Rent increases: Several provinces, such as Alberta, New Brunswick, Newfoundland and Nova Scotia have no rent control policy. In these jurisdictions, institutional landlords can increase rents without limits in occupied units with notice after a one-year tenancy.

Above guideline increases: In jurisdictions with rent control policies such as British Columbia and Ontario, landlords can get around the cap on rent increases by applying for above guideline increases (AGIs). AGIs can be granted based on capital expenditure or increased unforeseen expenses related to taxes or security. In keeping with their business model of increasing the valuation of the property, this mechanism is used extensively by owners of PBR. Tenants argue tribunals are pre-disposed to grant AGI requests. A [study in Toronto](#) found that from 2012 to 2019, financialized and corporate landlords were responsible for 64 per cent of all AGI applications filed in Toronto and for 84 per cent of all units impacted by these rent increases.

Vacancy De-Control: Except for Manitoba and PEI, no jurisdiction in Canada has [vacancy control](#). This means when a tenant vacates a unit, the rent can be increased, including above guidelines in those jurisdictions with rent control.

Evictions: Evictions are common in the context of the re-development of a property and allowable if notice periods are heeded. Institutional investors will often brag that they go above and beyond what is required by legislation by giving tenants lengthy notice periods, months of free rent, and occasionally assistance in finding another place to rent.

2.3 Municipal

Municipalities use public money in a variety of ways to encourage the development of “affordable housing”. For example, property tax waivers for up to 20 years, waivers of development fees, and planning and application fees, rebates on permits, and even cash payments, including on a per/unit basis for new developments. (One developer told us they had received \$40,000/unit from a municipal government for a new build).

These incentives may produce some units that are slightly below market rents, but these incentives are not used to produce social housing or deeply affordable units. They are also not measured against community need.

3. Overview and Assessment of Human Rights Obligations and Responsibilities

In this section we rely on the human rights framework established through the UN human rights system. Please see supporting document. We also rely on three reports written by Leilani Farha, the Director of The Shift, in her capacity as UN Special Rapporteur: [Effectively Implementing Rights Based Housing Strategies](#); the [Financialization of Housing](#) and the [UN Guidelines on the Implementation of the Right to Housing](#).

Evidence indicates that the financialization of PBR housing infringes the human rights of tenants. These breaches are not mere unfortunate or unintended outcomes. In the vast majority of cases, they are a direct result of the financialized housing business model. Breaches of human rights due to financialization should not be regarded as the outcome of a system that is failing, but rather of a system that is [working precisely how it is intended to work](#).

International law outlines the obligations of governments and private actors with respect to the right to housing. Below is an overview of some of the most pressing obligations related to the financialization of PBR.

3.1 Progressive Realization, Concrete Steps, and Maximum Available Resources

The obligation on governments to progressively realize the right to housing is found in article 2(1) of the ICESCR, which provides the basis for s.4(d) of the [NHSA](#). The [UN has stated](#) that for a State to meet these obligations, it must demonstrate that the measures being taken are sufficient to realize the right for every individual in the [shortest possible time](#). In rights-based housing strategies, governments must ensure that measures taken to implement the right to housing are [deliberate, concrete and targeted towards the fulfillment of the right](#); that [policy options are consistent with the right](#); and that the [maximum available resources have been allocated to those ends](#).

It is relatively clear that these standards have not been met by governments in Canada with respect to the financialization of PBR.

i. Deliberate, concrete and targeted towards the fulfillment of the right to housing

To ensure consistency with human rights, the passing of the NHSA by Parliament in 2019 should have triggered a review of all relevant federal and provincial/territorial laws and policies related to housing, including the NHS. This was not done. As a result, no deliberate measures have been adopted to address the negative impact that the financialization of PBR has had on fundamental aspects of the right to housing despite these having been elucidated by many tenants, advocates and the Office of the Federal Housing Advocate. At the time of writing there are two rent strikes against institutional landlords of PBR in Toronto and acquisitions and development of PBR continue without obstruction.

Provincial/territorial governments have also not taken any steps to ensure landlord tenant laws are compliant with human rights and sufficient to protect tenants from the financialization of PBR.

ii. Maximum available resources

The Government of Canada and other orders of government must ensure they are spending their resources in a manner that progressively realizes the right to housing, and that they are availing themselves of all possible resources towards this same end. The Government of Canada provides institutional investors in PBR with public subsidies and foregoes revenues (e.g.: preferential tax treatment, fee waivers) to support the activities of financialized landlords of PBR. This occurs with no requirements that they uphold or fulfil the obligations of the right to housing.

3.2. Elements of Adequate Housing

The UN has outlined the [characteristics](#) that must be met for housing to be adequate and for the right to be enjoyed. The financialization of housing undermines several of these.

Affordability. Housing costs must be commensurate with household income, not set using market rates, or at a rate that threatens the attainment of other basic human rights. The financialization of PBR has been shown to set rents regardless of tenants' ability to pay, creating a lack of housing affordability. Those engaged in the financialization of PBR often seek to exploit weak tenant protections and position their units at the top end of the market, to achieve the greatest profits. The use of AGIs, as described above, is one such method by which financialization decreases the affordability of PBR. [Data shows](#) that a tenant paying a starting rent of \$2,000pcm who is subjected to a 9% AGI at 3% per year for three years will, after 10 years, pay approximately \$22,000 more in rent than if there had been no AGI. Equally, using vacancy decontrol, investors have driven housing costs up in many jurisdictions. A [2019 study](#) showed that new PBR units in Canada were typically offered at up to 170% of market rents. Other experts in Southwestern Ontario who have studied the operations of REITS in the PBR sector have noted that rents in some of their newly acquired buildings have doubled in just two years and the CBC reported that rent for new PBR tenants increased by [over 18%](#) in 2022 alone.

Security of tenure. This is a cornerstone of the right to housing, and requires that tenants have a certain degree of protection from evictions and harassment. The Shift has heard countless accounts of tenants experiencing significant housing precarity or being forced from their homes by investor landlords seeking to capitalize on the unrestricted potential of a vacant unit which can be repositioned through renovations, or, simply removing tenants they regard as a risk for non-payment of rent. Studies highlight how readily financialized landlords are willing to evict their tenants, as compared to other property owners. One 2019 [investigation](#) of 500,000 evictions in Ontario showed "staggeringly high eviction numbers" in buildings owned by financialized landlords and concluded that the "increasingly corporatized rental housing market ... thrives on maximum unit turnover by any means necessary."

Habitability. A unit is considered habitable when tenants' health and well-being are protected against structural hazards, as well as cold, damp, and heat. In financialized PBR, tenants have noted that their landlords often ignore maintenance requests, purportedly to avoid additional expenditure that would impact profits. In its [2022 survey](#) submitted to the Office of the Federal Housing Advocate, ACORN found that 80% of tenants living in financialized housing said their homes needed urgent repairs, compared with 67% of tenants living in private landlord-owned homes. The same survey found that 1 in 10 financialized tenants were forced to move at least once in the past five years due to poor living conditions. Tenants have also [complained](#) of a lack of habitability being created by the highly disruptive renovations undertaken by financialized landlords as part of their business model and, in some instances, have suggested that both renovations and a failure to undertake basic maintenance have been weaponized by their landlords to force them to self-evict, thereby creating a profitable vacant unit.

Accessibility. Adequate housing must be accessible to those entitled to it. Financialization is reducing the availability of affordable housing, thereby undermining its access for low-income and other marginalized groups. Across Canada, investors own as much as [30% of all PBR](#), but in some communities they have developed monopolies, sometimes owning entire [cities](#) or [neighbourhoods](#).

3.3. Whole of Government Approach

Within the context of a National Housing Strategy, all orders of government and ministries must work together to ensure that their policies and programmes are consistent with the right to housing. Inter- and intra-government collaboration is required. This includes, for example, ensuring that migration policies are in line with housing targets so that newcomers will have access to adequate housing upon arrival, or that climate policy is embedded in housing policy so efforts to reduce emissions in PBR do [not negatively impact tenants](#), but also so that the [construction of PBR](#) does not further contribute to climate change. This has not occurred and there are no mechanisms designed to facilitate such an approach.

3.4. Meaningful Engagement

Governments and the private sector must consult rights holders in the fashioning of laws and policies that affect the right to housing. This means governments should engage tenants living in financialized PBR in setting housing policy related to PBR. It means that owners of PBR should consult with their tenants before any decisions are taken with respect to the property. This rarely occurs.

3.5. Prohibition on Forced Eviction, Evictions into Homelessness and the Proportionality framework

Under international human rights law there is a strict [prohibition against forced evictions \(the involuntary removal of a person from their homes outside the law\) and evictions that may lead to homelessness](#).

The UN Committee on ESCR – in its [jurisprudence](#) – has adopted the framework of proportionality with respect to legal evictions. Proportionality requires: a legitimate objective for the eviction and that it is necessary to achieve that objective, that there was no reasonable alternative, and that the consequences of eviction are proportionate to the objective.

Many evictions undertaken in the context of PBR are perpetrated to maximize the valuation of a property and shareholder/client returns on investments. These are invalid objectives especially in light of the NHTA commitment to the progressive realization of the right to housing. There are reasonable alternatives to evictions such as adjusting the business model of institutional actors in PBR. And, the consequences of eviction are disproportionate to the profit-making benefits – with eviction being linked to, for example, loss of community and services, mental distress, and homelessness.

While evicting tenants to upgrade a building may be a legitimate objective (assuming the upgrade is actually required), international human rights law strictly governs [development-based displacement](#) and requires that tenants be assisted in finding alternate accommodation at the same price for the duration of the upgrades, and have the option of returning to their original housing in a unit of the same cost and size.

3.6. Duty to Protect

A leading framework for the human rights responsibilities of business enterprises is the Guiding Principles on Business and Human Rights. It is grounded in three pillars: (a) the obligation of States to protect against human rights abuses committed by companies; (b) the responsibility of business enterprises to respect human rights, and thus avoid causing or contributing to adverse human rights impacts; and (c) the obligation of States to provide victims with access to effective remedies when rights are breached. The Principles specifically call on all corporate actors to undertake human rights due diligence, including through meaningful consultation with affected groups, and conduct human rights impact assessments.

Governments in Canada must regulate businesses in a manner that is consistent with the obligation to progressively realize the right to housing. In keeping with the Guiding Principles, governments must ensure businesses refrain from activities that have a negative impact on the right to housing, and go even further to ensure that businesses help realize the right, by producing needed affordable housing in keeping with the international human rights law definition of affordability. Furthermore, some of the profits made by private enterprises through

housing must be redirected to ensure adequate housing is available for low-income households. (See UN Rapporteur [report](#)).

The need for this review panel, along with many of the submissions from tenants, indicates that governments in Canada have not sufficiently met their human rights obligations to regulate institutional investors in housing to ensure they do no harm, nor have they managed to ensure they contribute to addressing real housing need in the country.

4. Financial Actors Are Not the Solution to Canada's Housing System

[CMHC has estimated](#) that using supply to bring housing prices to affordable levels will require building 5.8 million homes by 2030, of which 2.2 million should be rental units. Many of the actors responsible for the financialization of PBR are positioning themselves as the ones who can deliver, and as [indispensable to solving the housing crisis](#), not because they embrace their human rights responsibilities but rather on the basis that they hold vast amounts of capital and, expertise.

In light of this, the Review Panel may feel reluctant to make recommendations that might undermine the role of institutional investors in the provision of housing — an important aspect of the [NHS](#). In this section, we confront the idea that the housing crisis will be fixed through supply side deregulation and incentives made available to institutional investors in PBR.

4.1. Supply and Demand

The Shift recognizes that new housing supply is an important part of solving the housing crisis. The creation and preservation of deeply affordable housing will be crucial to ensuring access to adequate housing for all. But, creating supply to address the housing crisis, on the basis that it will correct a market failure (i.e. too much demand, insufficient supply) without regulating the financialization of PBRs, will prove unsuccessful. This approach assumes that the housing market is broadly competitive and that a market failure is simply due to inefficient, expensive or overly restrictive regulations. Thus, it stands to reason that supply can be created through deregulation and liberalization of the market to incentivize developers and investors to build more rental housing. If enough units are built, the market will be flooded, demand will be satiated, and rental prices will fall.

The underlying assumptions of this approach are flawed. Housing has particular characteristics that distinguish it from other commodities — it is immobile, heterogeneous, and has a long lifespan and high transaction and construction costs. Moreover, the land on which housing is built is inherently limited in supply and cannot be created in response to increased demand. This means that when there is a market with high overwhelming demand, it typically leads to

increased prices rather than increased supply, as would normally happen in competitive commodity markets. Because of its inherently limited nature, capital seeks out housing as a place of investment, which in turn generates even more demand for housing as a financial asset, creating a '[housing-finance feedback cycle](#)' that is nearly impossible to break without regulation. If left to the private market, as has largely been the case in the last few decades, the result is an investor driven, financialized housing system which often favours the stripping away of tenant protections. This has clearly played out in Canada where new supply has, in fact, [kept apace](#) or even [exceeded](#) population growth in many parts of the country, and yet has failed to have an impact on growing housing prices.

Instead of regulating this phenomenon, governments often fuel financialization by implementing common policies like tax incentives for development of market rate (or slightly lower) rental housing or preferential tax treatments for REITs, all in the hope that with their involvement and capital, they will solve the housing crisis. There is no evidence that incentivizing institutional investors in rental housing results in the affordable housing that is actually needed. This can be evidenced by the [results of the City of Montreal's](#) inclusionary zoning bylaw, where out of the 7,100 units built not a single one was social housing.

This suggests incentives to provide social or affordable housing are only valuable to institutional investors in PBR if they can maintain the profit margins upon which their business model is based.

5. Recommendations to Address the Financialization of PBR

This brief highlights the ways in which the financialization of PBR in Canada is deeply harmful to tenants and their human rights. The Government must lead, working swiftly and effectively, to prioritize human rights and deliver a rental housing system that works for all.

Recommendation No. 1: The Council should recommend that the National Housing Strategy be immediately updated to reflect, integrate and advance the Federal government's commitment to progressively realize the right to housing under that National Housing Strategy Act. For this to be effective, in light of the multi-jurisdictional nature of housing, a whole of government approach will be required. This includes ensuring coherence across different orders of government and federal ministries, so that policies and programmes related to, for example, immigration and climate change also serve to advance the progressive realization of the right to housing.

With respect to PBR, the National Housing Strategy should be updated as follows:

Enhanced Tenant Protections

The NHS must outline the Federal Government's expectations with respect to tenant protections at provincial and territorial levels. These expectations should be met in order to receive housing related transfer payments, and would include, inter alia:

- a. Legislated rent control.
- b. A prohibition on no-fault evictions.
- c. An overhaul of the AGI system to ensure it is used rarely, and only under the strictest conditions and without creating unaffordability for tenants.
- d. The implementation of vacancy control.
- e. Funding for municipal eviction prevention programmes.
- f. Supplementary social transfer funds for provinces and territories who agree to raise social assistance rates to a level that meets cost of living requirements, including average rental prices.
- g. Legislation to require redevelopment projects to ensure meaningful engagement with residents, monetary and logistical assistance with re-location during the redevelopment project, one-to-one replacement of affordable units, the right of return for residents to a unit of a similar size and cost, whilst also creating additional affordable units, as set out under Recommendation 2(d) below.

Housing Supply Fiscal Programmes

All grant, loan and subsidy programmes included in the NHS for existing and new PBR - directed at institutional investor landlords as well as others, including non-profits - must require human rights outcomes, prioritizing those in greatest housing need.

This would mean:

- a. All housing supply created through the NHS is tied to actual housing need. According to the [Housing Assessment Research Tools](#), this would mean creating almost 200,000 units for very low-income households (\$420/month), almost one million for low-income households (\$1050/month) and almost 300,000 for moderate-income households (\$1680/month).
- b. A national definition of "affordability" must be articulated in the NHS. It should be consistent with human rights law and based on household income, not what the market can command.
- c. Tax exemptions in the Income Tax Act that apply to REITs should be repealed immediately and the basic corporate tax rate of 38% imposed. The estimated [\\$285.5m](#) in revenue that would accrue over five years should be reinvested in the creation of sustainable, non-market housing, to meet the greatest housing need.

Accountability

The NHS should mandate the Parliamentary Budget Office to conduct an assessment of public expenditure (subsidies and foregone taxes/fees, etc.), to assess if the Government of Canada is using the maximum of its available resources to progressively realize the right to housing in keeping with the requirements of the NHSA.

Recommendation No. 2: The Council should recommend that the Minister regulate all institutional investors involved in the financialization of PBR, to ensure they are contributing to the progressive realization of the right to housing, and hold them accountable to international human rights obligations and standards.

This would include:

- a. The adoption of transparency standards for the public disclosure of beneficial ownership of PBR.
- b. Measures for the independent monitoring of private actors engaged in the provision of PBR under these regulations.
- c. Developing an authoritative guidance for public companies engaging in housing provision on their human rights responsibilities, including the interaction between their fiduciary duty and human rights.
- d. Exploring the option of converting a percentage of existing units within institutionally owned PBR to rent-geared-to-income units or social housing. This would be carried out over a three-to-five-year period, where newly vacant units or tenanted units which fall below national affordability standards, would be converted into social housing, or re-positioned as rent-geared-to-income units.

Recommendation No. 3: The Office of the Federal Housing Advocate should request the National Housing Council to continue its investigations into the financialization of housing by requesting review panels on new and emerging forms of financialization including short-term rentals, student housing, and long-term care homes.

REALIZING THE RIGHT TO HOUSING IN CANADIAN MUNICIPALITIES

SUMMARY OF RECOMMENDATIONS

Kaitlin Schwan & Julieta Perucca

Priority 1: Human Rights Infrastructure

Key Challenges to Localizing the Right to Housing	Recommendations for Municipalities
<p>1. Gaps between international human rights law and the National Housing Strategy that create barriers for municipalities to access resources, implement policies, assess their progress, and develop local strategies in alignment with their human rights obligations.</p>	<ul style="list-style-type: none"> • Recognize the human right to housing in local charters, declarations, or ordinances. • Implement local accountability and enforcement mechanisms to secure the right to housing, seeking to ensure rights-based participation in the creation of these mechanisms and ongoing assessment of their efficacy. • Collect real-time, person-specific data capable of assessing progress towards realizing the right to housing locally, including in relation to homelessness and core housing need.
<p>2. Limited infrastructure or mechanisms to support coordination and coherence across provincial/territorial policy areas that impact the right to housing, such as child welfare, social assistance, and policies related to disabilities.</p>	
<p>3. Failure to recognize the right to housing in provincial/territorial legislation or policy.</p>	
<p>4. Limited provincial/territorial and federal judicial recognition of the right to housing, preventing the accumulation of jurisprudence that could be used to advance the right to housing locally.</p>	

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Priority 2

Key Challenges to Localizing the Right to Housing

Recommendations for Municipalities

Federal Challenges

1. The funding provided through the NHS does not yet meet the standard of utilizing maximum available resources to support those in greatest need. As of 2021, NHS funds have been underspent and alternative revenue-generating opportunities have not yet been maximized.

2. The delivery of NHS programs through cost-sharing, bilateral agreements with the provinces/territories prevents the swift allocation of funds at the municipal level, creating barriers to alleviating housing need and homelessness quickly.

3. Gaps in the NHS's prioritization of resources for those most in need, and the failure to specifically target available resources, has contributed to sub-optimal progress on improving the housing conditions of those who are most marginalized.

4. The NHS has not yet established an Urban, Rural, and Northern Housing Strategy, despite its commitment to do so and the severity of housing inequities faced by Indigenous communities.

Provincial/Territorial Challenges

1. In some cases, provincial/territorial governments have failed to allocate maximum resources available towards supportive, social, or affordable housing, including for those most in need.

2. Many provincial/territorial governments fail to sufficiently invest in homelessness shelters and services relative to need, and in some cases existing investments are not equitably distributed.

3. Failure to adopt the United Nations Declaration on Indigenous Peoples within provincial/territorial legislation or policy.

- Train and support municipal staff to understand the human right to housing and how to meet their human rights obligations.
- Adopt rights-based budgeting across city departments and divisions, seeking to use maximum available resources to address the housing of needs of those most marginalized.
- Embed Indigenous Peoples' right to housing and distinct rights under UNDRIP in municipal housing strategies and plans to end homelessness, transferring decision-making power and resources to local Indigenous communities wherever possible.
- Maximize all available jurisdictional powers to implement zoning policies, municipal bylaws, and other policies that can accelerate the creation of affordable housing.

Priority 3

Key Challenges to Localizing the Right to Housing	Recommendations for Municipalities
<p>1. FTP and municipal governments have implemented limited mechanisms through which people with lived expertise can participate in program or policy design. Individuals experiencing the most severe forms of housing marginalization often face the greatest barriers to participation, including due to language, ability, citizenship status, and/or systemic discrimination.</p>	<ul style="list-style-type: none">• Develop municipal infrastructure that embeds the meaningful participation of people with lived expertise into all policy development relevant to housing and homelessness. Such mechanisms should be co-developed with these experts, based in rights-based principles of participation, and be equitably and permanently funded.
<p>2. Where Canadian governments have created opportunities for people with lived expertise to participate in policymaking processes, this inclusion is often not accompanied by respective authority or power.</p>	<ul style="list-style-type: none">• Advance participation of Indigenous Peoples in all municipal policy areas that affect the right to housing locally, in alignment with UNDRIP and the principles of free, prior, and informed consent.• Adopt LEAC Principles within local policy making processes related to housing and homelessness, seeking to ensure equitable decision-making power is allocated to people with lived expertise.

Priority 4

Key Challenges to Localizing the Right to Housing	Recommendations for Municipalities
<p>1. There is a jurisdictional disconnect between revenue and responsibility with regards to the realization of the right to housing, with municipalities often bearing the burden of addressing homelessness but lacking the tax base to address the scale of the issue.</p>	<ul style="list-style-type: none">• Re-deploy city-owned land and buildings, and acquire existing distressed properties, in order to create permanent housing for people experiencing homelessness on an urgent and priority basis.
<p>2. There has been limited action from federal or provincial/territorial governments to address the widespread discrimination against people on the basis of housing status, and protection against this form of discrimination is not well established in provincial/territorial legislation or policy.</p>	<ul style="list-style-type: none">• Work with provincial/territorial and federal governments to identify and implement additional revenue-generating mechanisms at the local level to address homelessness.• Implement local anti-discrimination campaigns focused on eliminating stigma and discrimination on the basis of housing status.
<p>3. Some of the affordability metrics used to allocate federal homelessness and housing funds fail to reflect the depth of housing marginalization and poverty experienced by people who are homeless. This makes it more difficult for cities to eliminate homelessness swiftly and in alignment with their human rights obligations.</p>	<ul style="list-style-type: none">• Formally adopt A National Protocol for Homeless Encampments in Canada within municipal policies.• Provide guidance, support, and incentives to ensure that local homelessness and VAW housing and service providers employ a rights-based approach.

Priority 5

Key Challenges to Localizing the Right to Housing	Recommendations for Municipalities	
SPOTLIGHT: Women, Girls, & Gender Diverse People 1. Inequitable federal investments in emergency shelter beds.	<ul style="list-style-type: none">• Set local targets, timelines, outcomes, and indicators that redress systemic barriers to adequate housing experienced by those in the most need.	
3. Chronic provincial/territorial underinvestment in Violence Against Women Shelters and Services.		<ul style="list-style-type: none">• Conduct GBA+, rights-based audit of local policies and programs relevant to securing the right to housing.
4. Conflicting and contradictory policies across provincial/territorial public systems can undermine housing stability for women and exacerbate family dissolution.		<ul style="list-style-type: none">• Promote interjurisdictional and cross-sectoral cooperation in order to transform public system policies that undermine the right to housing for those who are most marginalized.

Priority 6

Key Challenges to Localizing the Right to Housing	Recommendations for Municipalities	
1. The financialization of housing is poorly regulated in federal/provincial legislation and policy, making it difficult for cities to produce affordable housing at the rate that it is being lost.	<ul style="list-style-type: none">• Embed the right to housing in urban planning processes and practices.• Preserve the existing stock of affordable housing through community-based, non-market acquisition of distressed housing.• Leverage existing municipal taxation opportunities to generate additional revenue for affordable housing.• Maximize land use, zoning, and other bylaw opportunities to increase the availability of affordable housing and preserve existing affordable housing units.• Regulate short-term rentals, such as Airbnb and VRBO.	
2. Some government programs are subsidizing corporate landlords and other developers under the guise of creating affordable housing.		
3. Canadian governments rely heavily on tax revenue produced through real estate development to fund their budgets, creating a disincentive for them to adopt policies that would curb the financialization of housing.		
4. Financialization of housing deepens discrimination and inequities, creating further challenges for cities to advance non-discrimination and substantive equality.		

Priority 7

Key Challenges to Localizing the Right to Housing

1. Household incomes cannot keep up with the escalating cost of housing across Canada, including due to low provincial/territorial social assistance rates.

2. Legal loopholes in provincial/territorial legislation enable landlords to raise rents above rent control guidelines, contributing to evictions and the loss of naturally-occurring affordable housing.

3. While some provinces and territories adopted eviction moratoriums during the COVID-19 pandemic, most have now lapsed and a wave of evictions is occurring in many cities across the country.

4. Provincial/territorial divestment from legal aid supports undermines marginalized groups' ability to avoid evictions.

Recommendations for Municipalities

- Invest in emergency financial supports for tenants at risk of eviction, such as rent banks or emergency cash relief programs.
- Improve access to legal information, advice, and representation for persons at risk of eviction, particularly for those who face marginalization.
- Analyze local data on evictions to better understand and address systemic and neighbourhood-based inequities.
- Develop screening programs to identify individuals and families at risk of eviction, providing immediate interventions to stabilize housing.