

Final Report of the Alberta Affordable Housing Review Panel

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Introduction

A key component in creating strong, inclusive communities and economic prosperity is ensuring that Albertans have a broad range of affordable housing options. While the Government of Alberta and its housing partners have made significant progress in addressing the need for housing along the entire affordable housing continuum (from emergency shelter to near-market apartments), the need for affordable housing for vulnerable Albertans continues to grow. Economic uncertainty in Alberta is challenging the financial sustainability of the affordable housing system in this province.

The case for affordable housing is clear. Albertans need safe, suitable and affordable housing to participate successfully in the economy and society.

There are many challenges for affordable housing programs in Alberta. Some Albertans cannot find housing because they require specialized housing that can address unique safety and service needs. A larger number of Albertans cannot find housing because the market does not provide housing they can afford or housing that meets the need of those with physical or social barriers. Housing market changes do not line up with shifts in household income or demographics, with housing prices and rental rates often lagging behind shifts in the economy and unique local conditions. Certain populations are more likely to experience housing needs than others and require targeted approaches.

Government programs that support affordable housing protect Albertans from the effects of highly variable market pricing and changes in household income. The consequences of unaffordable and inappropriate housing are higher social service and health care costs and a greater strain on the justice system. Investment in affordable housing has both direct and indirect benefits. Government investment in affordable housing is multiplied in economic returns because it creates jobs and it supports tenants to stay in their community. Stable and affordable access to housing also supports these households to obtain and maintain meaningful employment.

To ensure that Alberta will continue to have a safe, suitable affordable housing system that is financially sustainable, the Government of Alberta appointed the Affordable Housing Review Panel (the Panel) to conduct an independent evaluation. The Panel worked from July to September 2020, engaged key stakeholders and applied its diverse expertise to identify ways the Government of Alberta could better support housing for Albertans in need, balancing financial sustainability with growing demand. Chaired by a Member of the Legislative Assembly, the nine members of the Panel were chosen based on their experience, unique perspectives and industry-leading work in Alberta's housing sector. (See Appendix A for the Panel Terms of Reference and Appendix B for the Panel Membership.)

This report is the Panel's submission to the Minister of Seniors and Housing with recommendations for the Government of Alberta to transform Alberta's affordable housing system.

Current Challenges in Affordable Housing

The following provides a brief overview of the challenges and drivers for undertaking a holistic review of the affordable housing system in Alberta.

Growing demand for affordable housing

The need for affordable housing is increasing, partly due to the projected increase in population, but also due to demographic changes within the population. Households are getting older, more diverse and their needs are changing, in part due to increased levels of immigration. Data show that the population of Alberta grew by almost 24% (776,825 people) from 2006 to 2016 and is expected to grow by another 32% by 2031. There are nearly 500,000 Albertans currently spending more than 30% of their household income on housing costs and 164,275 households in core housing need.¹

More than 110,000 Albertans currently live in government-subsidized housing, and an additional 19,000 households are on a waitlist for subsidized housing. More than half of those households in affordable housing and one-third of those on a waitlist are seniors. With the population of seniors expected to increase from 655,000 to over one million by 2035 and the ever-increasing preference of seniors to stay in their homes and communities, Alberta is expected to see a significant increase in demand for a range of seniors accommodations in the foreseeable future.

In addition to a growing and more diverse population, the economic downturn as well as the COVID-19 pandemic have increased economic uncertainty for many Albertans. Access to affordable housing helps Albertans support themselves and each other, laying the foundation for healthy and productive communities.

Diverse and unique needs

There are significant differences in demographics and community needs in the various regions of Alberta. In Northern Alberta, up to 85% of tenants have ties to the Indigenous community and most households have children. In urban centres, more single adults and new immigrant families occupy community housing. People with disabilities, people transitioning from homelessness, LGBTQ2S+, victims of domestic violence and people struggling with mental health and addictions also require different accommodations to meet their needs. A single approach cannot adequately address all housing needs.

Instead, a range of operating models, capital contributions, and engagement and community partnerships is necessary to identify and address the needs of local populations. Input and partnership with communities is necessary to address local, diverse needs.

¹ A household is in core housing need if its housing does not meet one or more standards for housing adequacy (repair), suitability (crowding), or affordability, and if it would have to spend 30 per cent or more of its before-tax income to pay the median rent (including utilities) of appropriately sized alternative local market housing.

Challenges to increasing the supply of affordable housing

Approximately 43,500 Alberta households were housed in regulated social housing units in 2019. As a result of Government of Alberta capital funding, a total of 537 new units were created from 2019 to 2020. These gains in stock were negated by a decrease in the number of rent supplement units because COVID-19 delayed the transition to a new rent supplement program.

The Government of Alberta owns almost half of the subsidized housing stock in Alberta. Almost 60% operate under a strict regulatory structure governed by the *Alberta Housing Act*. This limits the incentives and nature of market participation (both private and not-for-profit) in developing and operating affordable housing. With the exception of rent supplements, regulated programs are not structured to allow partnerships with the private sector.

Aging infrastructure

The average age of affordable housing stock under agreement is more than 35 years old, with increasing need for ongoing maintenance. Government's ownership of almost half of the affordable housing stock creates inefficiencies and delays in planning and completing maintenance work. Fluctuating capital development and maintenance costs add to the fiscal pressures to maintain the supply of government-owned or -supported units. These aging assets can no longer be sustained if maintenance and renewal is deferred. The sector cannot implement potential cost and process efficiencies while government continues to own the buildings, which requires adherence to government approval and procurement processes.

Fiscal challenges

The costs of developing and sustaining affordable housing are borne by all levels of government, including the Government of Alberta. The government's fiscal challenge requires that it reassess its return on investment in affordable housing and identify a new role for the provincial government in meeting the need for affordable housing with scarce resources.

System complexity

Housing trends across Alberta suggest the need for tailored and local solutions. While some communities face declining populations, others are seeing an increase. Urban centres face different challenges than rural communities. The local needs of communities in our province cannot be addressed with a single, uniform approach. The current "one-size-fits-all" approach will not work. Rather, localized and customized housing solutions are required.

While the population in Alberta has increased significantly in the past decades, many structures and regulatory processes have remained unchanged. Housing providers and government partners express concern with strict regulatory requirements and face increasing pressure to sustain their operations.

In addition, there are multiple government departments responsible for regulating and funding affordable housing and support services. This overlap impacts the development of affordable housing,

which in turn carries over to other social policy areas. For example, when regulatory burdens and other barriers hinder affordable housing initiatives, health care, child intervention and justice system costs increase. The complex nature of the existing funding and policy structure is difficult for operators to navigate.

Government Objectives

The Affordable Housing Review Panel was asked to reimagine the province's role, identify the circumstances under which government should provide housing supports and for whom, and determine priority outcomes that best serve Albertans. This includes identifying best-fit strategies for government housing assets, funding, and legislative levers. In line with government commitments, key questions for the review were:

- How can we get more value for government spending on housing?
- How can government address housing needs through the private market?
- What are the reasons people need subsidized housing, and what role should government play?

The Panel considered these questions in the context of known government objectives:

- The Government of Alberta has committed to ensuring more affordable housing in Alberta for those who need it, including seniors who require specialized housing. This includes exploring mixed-income housing models and public-private partnerships to enable people to reside in their communities and allow for the creation of innovative community options.
- The province has committed to reduce red tape and increase efficiency to make life easier for Albertans and strategic partners. In late 2019, the Minister of Seniors and Housing announced a red tape reduction initiative to review the income verification process used for affordable housing applicants. This review is considering ways to simplify the information used to calculate the income of applicants and reduce the administrative burden on housing providers.
- Budget 2019 initiated a review of the Ministry Seniors and Housing's rent supplement programs, which help households find affordable rental accommodations by providing rent subsidies in eligible rental projects. The research and analysis of this review was provided to the Panel and considered in the Affordable Housing Review.
- The 2019 MacKinnon Report on Alberta's Finances had a number of recommendations that helped guide considerations for the Affordable Housing Review. The MacKinnon Report recommended a comprehensive approach to program reviews, bringing Alberta's net public capital stock in line with other provinces, examining Alberta's legislative framework for capital funding to municipalities, redefining the government's inventory of land assets to include the broader public sector, and refreshing policy on major procurements.

Approach

Affordable Housing Review Panel

The Affordable Housing Review Panel (the Panel) was appointed by the Minister of Seniors and Housing on July 1, 2020 to engage with key stakeholders and review Alberta's affordable housing system to help transform this system.

Calgary-Cross MLA Mickey Amery chaired the panel, whose nine members came equipped with a diverse range of perspectives and backgrounds as housing providers, housing advocates, developers, real estate investors, civil society organizations, academics and other housing experts. SHS Consulting supported the Panel by organizing meetings and engagement activities, and conducting in-depth research and analysis as directed.

See Appendix A for the Panel Terms of Reference, including scope, purpose, and mandate, and Appendix B for the Panel membership.

Engagement Activities

The Affordable Housing Review included an extensive number of engagement sessions with key stakeholders from the private, not-for-profit, and public sectors, one-on-one interviews with key opinion leaders, and an online call for written submissions. A total of 44 engagement sessions and interviews were conducted with 96 organizations and 150 participants.

The panel received 124 email submissions from 115 stakeholders. Submissions were received from current residents of affordable housing units, people experiencing housing issues and other concerned citizens (41), housing management bodies (22), residential developers and builders (8), private sector companies (5), municipalities (7) and civil society organizations, housing advocates and government advisory councils (32).

Key themes from these sessions and online submissions informed the Panel's recommendations. A list of participating organizations is provided in Appendices C and D.

Desk Research

The work on the Affordable Housing Review also involved significant research on the following:

- Cross-jurisdictional scans to identify innovative and leading approaches to affordable housing supply and delivery.
- Data and information analysis to identify housing needs and gaps for Alberta as a whole as well as in selected geographic regions throughout Alberta.
- Scan of housing options in Alberta's private rental market.
- Analysis of the trends in incomes and rents in market and non-market housing over time.
- Examination of the approach to calculating rents in social and affordable housing and the prioritization of households on the waitlist for social/subsidized housing.
- Analysis of the Alberta Social Housing Corporation portfolio.
- Analysis of affordable housing challenges.
- Cost-benefit and return on investment analysis.

This research informed the development of the Panel's recommendations.

Transforming the Affordable Housing System in Alberta

The Panel reviewed extensive research on the current state of affordable housing in Alberta, including the need for affordable housing for households with low and moderate incomes, the existing private market and social (non-market) housing supply, and the current approach to providing subsidized housing. This review highlighted the need to make changes to the delivery of affordable housing to achieve better outcomes for Albertans, to increase supply, and to achieve greater value for government spending.

Principles

A number of key principles were identified during the review that formed the framework upon which Panel recommendations would be developed. These principles guided research efforts and the development of the Panel's recommendations.

- **Bold action**

Bold action emerged as an important principle during engagement activities. Interest groups strongly encouraged the Panel to implement transformative ideas, rather than small, incremental changes. Key stakeholders stated that they were ready to see bold, innovative, and sweeping changes to help transform the delivery of affordable housing in Alberta.

- **Fair, equitable, and inclusive**

A fair, equitable, and inclusive affordable housing system is essential. This foundational principle guided the Panel's recommendation that all stakeholders share responsibility for housing, while maintaining fairness, inclusivity, and prioritization of affordable housing for those with the greatest need. The Panel's recommendations were also designed to assist more households with low incomes through innovative programs and ideas.

- **One size does not fit all**

Communities in Alberta are unique – urban and rural centres, seniors, Indigenous communities, and many others each require different solutions.

- **Efficiency, sustainability, and financial responsibility**

The efficiency, sustainability, and financial responsibility of the system as a whole and at the operational level were identified as important principles in the development of the Panel's recommendations. A sustainable affordable housing system is essential to ensuring that these services are available to Albertans when they need them.

Recommendations

The Affordable Housing Review Panel puts forward the following recommendations with the goal of transforming the affordable housing system in Alberta. These recommendations link to and address the three mandate questions.

1. How can we get more value for government spending on housing?
Recommendations #1, 2, 3, 4, 7, 8, 10, 11, 15, and 16 respond to this question.
2. How can government address housing needs through the private market?
Recommendations #1, 10, 11, 16, 17, 18, and 19 address this question.
3. What are the reasons people need subsidized housing and what role should government play?
Recommendations #1, 5, 6, 8, 9, 10, 11, 12, 13, and 14 respond to this question.

Summary of Recommendations

The recommendations of the Panel are as follows and are based on the principles of bold action, fairness, equity and inclusiveness, one size does not fit all, and efficiency, sustainability and financial responsibility. The recommendations put forth by the Panel are the result of input from the engagement sessions and online submissions, desk research, and extensive Panel discussions.

Focusing on Affordable Housing

1. Develop a provincial strategic plan for housing with short- and long-term objectives aimed at addressing Alberta's affordable housing needs and achieving housing stability for all Albertans.

Unlocking Existing Equity and Building Sector Capacity

2. Develop a provincial asset management plan as a first step to move the Government of Alberta from being an owner of affordable housing assets to regulating and funding housing programs.
3. Develop and implement a strategic asset transfer plan that achieves equity, safety, flexibility and sector financial sustainability by working with key stakeholders, including housing management bodies, not-for-profit organizations, private landlords, private developers and Indigenous organizations.
4. Ensure all proceeds from transfer of assets are maintained within the affordable housing system and invested in a manner that grows the financial resources available to meet affordable housing needs.

5. Work with housing management bodies to build capacity within the sector, improve and redevelop the affordable housing stock, improve service delivery to those in need and prioritize applications for subsidized housing based on local need. Where appropriate, encourage housing management bodies to reorganize, collaborate and/or consolidate operations to increase capacity, including fiscal capacity and development and operational expertise.
6. Engage and facilitate collaboration among housing management bodies, not-for-profit organizations, private industry and Indigenous organizations/governments to build increased capacity and develop appropriate housing solutions.
7. Update the previous review of the Seniors Lodge Program conducted in 2015 with a view to increasing the effectiveness of lodges in meeting housing needs, the flexibility in their use and their financial sustainability as a housing choice for Albertans.

Promoting Partnerships

8. Identify opportunities to maximize and leverage federal funding to increase the supply of affordable housing in Alberta, such as providing provincial land and buildings as in-kind contributions to trigger federal fund-matching programs.
9. Work with Indigenous stakeholders, including Metis governments, to advocate to the federal government for continued, long-term supports to address the housing needs of Indigenous communities in Alberta.
10. Direct current and future provincial funding allocations to a mix of rent supplements and capital funding that maximizes affordable housing choices for Albertans.
11. Building on the current review of the rent supplement program, rebalance funding to include a modest subsidy for people who are currently not able to access deeper subsidy programs to enable them to stay in their housing or find housing of their choice in the private market.
12. Encourage municipalities to develop local housing and homelessness needs assessments and action plans to better understand local needs, identify local priority populations, help guide local, provincial and federal investments in affordable housing and develop solutions to address the unique needs of urban, rural, and remote communities.

Simplifying Administration

13. Direct the Government of Alberta to update the approach to determining eligibility and calculating rents to include additional household income and assets and allow for more local control over prioritization to promote local solutions, rebalance fairness and generate more stable revenue.
14. Work with housing operators to develop a centralized housing portal to manage waiting lists, including vacancies, and develop standardized application forms for the community housing and seniors lodge programs.
15. Direct the Government of Alberta to improve its approach to capital maintenance funding, including the establishment of an expedited process for project approvals and setting benchmark timelines for project approvals.

Supporting Innovation

16. Encourage the Government of Alberta to update the provincial regulatory regime to increase the affordable housing supply, including streamlined planning approval processes and the adoption of innovative forms of housing.
17. Encourage municipalities to update local planning policies, processes, and regulations to develop affordable housing and permit and encourage innovative forms, such as tiny homes, secondary suites, co-housing, and repurposing of non-residential buildings into affordable housing units.
18. Work with housing partners to support and encourage innovative forms of affordable housing, such as the use of prefabricated homes, container housing, repurposing buildings, Passive House design, net zero housing, and other solutions to increase the efficiency of affordable housing and effectiveness of housing funding.
19. Work with housing partners to support and encourage the development of innovative operating models, such as mixed-income, mixed-use, and mixed-tenure housing developments that will create community benefits and increase the sustainability of affordable housing.

Rationale for the Recommendations

What follows is a discussion of the issues and rationales for the Panel's recommendations.

Focusing on Affordable Housing

Issue: There is currently no provincial strategic plan for housing.

Feedback from over 40 engagement sessions with key stakeholders found that there was a need for a provincial strategic plan for housing that would identify the vision and desired outcomes for the various affordable housing and housing stability programs. Housing operators and support service providers noted that there were no clear outcomes to guide their work and the work of the various provincial departments with responsibility for housing. Key stakeholders stated that the absence of a clear, long-term, strategic plan has made it difficult to identify appropriate roles and responsibilities.

In addition, key stakeholders stated that the various departments with responsibility for elements of the affordable housing system work in silos, so applications for funding or services are extremely complicated and create an unnecessarily complex and lengthy process. Clients often have to apply to various departments and different programs to obtain housing and the support services they need, thereby increasing red tape and creating complexity within the system.

Key stakeholders from the not-for-profit sector also noted that there were currently no programs for homelessness and supportive housing against which to clearly identify Government of Alberta criteria, objectives, and program funding pools. While previous programs addressing homelessness and supportive housing were funded indirectly through provincial programs and federal funding, there were no current Government of Alberta programs to address homelessness and supportive housing, two very important components of the overall housing system.

In addition, housing management bodies and housing developers from both the not-for-profit and private sectors stated that capital and operational funding for affordable housing projects fall within the jurisdiction of several provincial departments. This means that the application process is not only complicated and lengthy, but also that funding opportunities go unnoticed. This discourages the participation of these sectors in addressing affordable housing needs.

To address this issue, the Panel developed the following recommendation, based on the principles of fairness, inclusiveness, efficiency, and sustainability.

Recommendation #1: Develop a provincial strategic plan for housing with short- and long-term objectives aimed at addressing Alberta’s affordable housing needs and achieving housing stability for all Albertans.

Rationale

The purpose of this recommendation is to make it easier for Albertans to access the affordable housing and housing stability supports they need by creating clear and consistent parameters for Government of Alberta funding and available programs. Consistency is a fundamental prerequisite for housing partners, who require clear and concise rules to plan and invest in the efficient operation and development of affordable housing.

Based on the feedback from the engagements and submissions as well as information from Alberta Seniors and Housing staff, the Panel decided to put forth a recommendation for a strategic action plan, which would not only identify outcomes but would also be based on a “one-stop-shop” approach to create efficiencies. In addition, this strategic plan will help guide the decision-making process relating to rent supplements and capital investments, affordable housing and stability programs, and any future housing-related programs. A long-term strategic plan that identifies provincial interests and intended outcomes and guides decision-making will help ensure a more efficient process, help prioritize limited resources and encourage all housing partners to work collaboratively to address housing need.

Unlocking Existing Equity and Building Sector Capacity

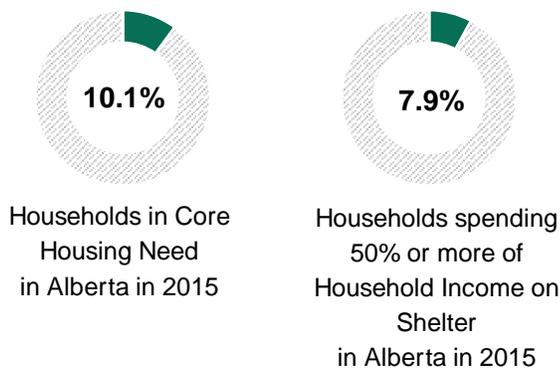
Issue: The current system is not financially sustainable, nor sufficiently flexible, for housing providers to meet the growing need for affordable housing in their communities.

Research found that the current system is not able to meet the housing needs of all Albertans. While the COVID-19 pandemic will have a temporary impact on growth in this province, long-term projections indicate that Alberta's population will continue to grow. Invariably, increased population growth will create increased demand for affordable housing.

Demand for affordable housing in Alberta continues to grow. In 2016, there were 164,275 Albertans in core housing need and 120,575 Albertans spent 50% or more of their annual household incomes on housing. Without immediate action, the number of Albertans in core housing need could grow to as high as 260,000 by 2031. Some population groups face an ever-greater risk of being in core housing need. For example, the Panel heard that vulnerable Albertans with disabilities spend up to 60% of their income on housing needs due to limited accessible housing options in the province.

The research indicated that there are distinct differences between rural, remote and urban communities throughout Alberta. While some communities are seeing a decline in their populations, others are seeing significant increases. Many communities are experiencing an aging population, while others are seeing increases in the number of working families. Many urban areas are characterized by growing populations and increasing waitlists, while others, often rural communities, frequently have vacancies (especially in the Seniors Lodge Program). These observations demonstrate a need for solutions tailored to the specific needs of each community. Housing management bodies are key instruments to help meet these needs through tailored approaches.

Figure 1: Households in Core Housing Need: The Province of Alberta; 2015



Source: Statistics Canada Custom Tabulations 2015

The Government of Alberta owns a substantial portion of the provincial affordable housing stock, operated within a regulatory framework governed by the *Alberta Housing Act*. An ongoing concern is the age of the stock and the need for significant capital maintenance. Engagement with key stakeholders and research found that the Government of Alberta's ownership of the properties creates

substantial limitations for innovative housing approaches. Government ownership of affordable housing units limits development of mixed-income housing models, public-private partnerships, and market participation by both private and not-for-profit organizations in the sustainable development and operation of affordable housing.

During engagement sessions, there was a wide consensus among stakeholders that the Government of Alberta's ownership of affordable housing was the root of many of the issues outlined above, and prevents many operators from addressing the need for affordable housing in their communities. Because the government owns the assets, operators cannot leverage the properties that they operate to finance new development or reinvest in existing units.

Furthermore, key stakeholders indicated that centralized policies prevent customized solutions. This is particularly challenging for Indigenous communities and seniors, who could benefit from individualized approaches to housing. For example, larger families, kinship circles and families living in intergenerational housing environments were not always able to access larger housing units due to centralized policies that limit such arrangements. Indigenous households often face discrimination and guests or extended family members were not always allowed to stay overnight.

Lastly, it was found that many of the housing management bodies are small. For example, 52% operate fewer than 100 units and 34% only manage one building. This means many operators lack operational and development expertise, have limited capacity to develop their portfolio and are not able to achieve economies of scale. During engagement sessions, key stakeholders said that it would be desirable to encourage housing management bodies to amalgamate or find other ways to collaborate (i.e., sharing services) in order to increase capacity to deliver services, reduce their operating costs or combine their portfolios and leverage them to generate new housing options in their respective communities.

To address these issues, the Panel developed the following recommendations, which are based on the principles of bold action, fairness, inclusiveness, one size does not fit all, financial responsibility, and sustainability.

Recommendation #2: Develop a provincial asset management plan as a first step to move the Government of Alberta from being an owner of affordable housing assets to regulating and funding housing programs.

The asset management plan should not only consider the current value of the asset, but also its lifecycle span, operating efficiency and return on investment.

Recommendation #3: Develop and implement a strategic asset transfer plan that achieves equity, safety, flexibility and sector financial sustainability by working with key stakeholders, including housing management bodies, not-for-profit organizations, private landlords, private developers, and Indigenous organizations.

The asset transfer plan should be flexible enough to consider different approaches where appropriate while ensuring that the number of affordable housing units is maintained, if not increased, and that supports for tenants are maintained.

Recommendation #4: Ensure all proceeds from transfer of assets are maintained within the affordable housing system and invested in a manner that grows the financial resources available to meet affordable housing needs.

Recommendation #5: Work with housing management bodies to build capacity within the sector, improve and redevelop the affordable housing stock, improve service delivery to those in need and prioritize applications for subsidized housing based on local need. Where appropriate, encourage housing management bodies to reorganize, collaborate and/or consolidate operations to increase capacity, including fiscal capacity and development and operational expertise.

Recommendation #6: Engage and facilitate collaboration among housing management bodies, not-for-profit organizations, private industry and Indigenous organizations/governments to build increased capacity and develop appropriate housing solutions.

Recommendation #7: Update the 2015 review of the Seniors Lodge Program with a view to increasing the effectiveness of lodges in meeting housing needs, the flexibility in their use and their financial sustainability as a housing choice for Albertans.

Rationale

The goal of these recommendations is to change the role of the Government of Alberta from an owner to a regulator and funder of affordable housing. This will create more flexibility and financial independence for housing management bodies and other housing operators while making sure Albertans achieve better access to affordable housing that is well maintained and meets the need of their community. It will also allow housing management bodies, who have the expertise, to leverage assets to better address the affordable housing needs in their communities with innovation and creativity.

These recommendations are supported by what the Panel heard during engagement sessions with key stakeholders and the numerous submissions on the subject. There is consensus within the sector that the role of the Government of Alberta in addressing housing need should be as a regulator, policy maker, planner, funder and enabler of the sector rather than as an owner of affordable housing assets. While there may always be a need for government to own some housing assets, such as supportive housing, stakeholders stated that both the not-for-profit and private sectors should have the ability to own and operate affordable housing assets in a more efficient manner while also addressing unique local housing needs. If housing providers own the stock they manage, they would be able to provide custom solutions for issues in their respective communities. They would also gain the ability to leverage their properties and use the proceeds to reinvest into new stock or update

existing stock. It would also help them to pursue mixed-income housing models, including public-private partnerships that would facilitate the market participation of both private and not-for-profit organizations in developing and operating affordable housing. Other jurisdictions in Canada and Europe reviewed as part of the desk research have successfully undertaken, or are currently undergoing, such a transfer of assets.

Owning the assets will also provide housing providers with additional flexibility to adjust the housing stock to the needs of the community. For example, vacant seniors lodge units could be reallocated to singles, lone parents, students, homeless individuals, and people with special needs. Another example is Indigenous families could be assigned larger, family sized units to ensure extended family or other guests can stay for longer periods of time.

The concept of asset transfer has many advantages. It promotes flexibility, reduces red tape and allows housing providers to meet local needs by catering to their respective communities. It incentivizes market innovation and enables housing providers to access capital in the private market by allowing them to leverage assets more readily. It also alleviates some of the ongoing burden on government in maintaining and operating stock, which can have significant cost-saving impacts and leads to more sustainable and long-term housing programs.

It is important to note that the additional independence through owning an asset also comes with greater responsibility. Many stakeholders noted that a significant proportion of housing providers, particular in more rural areas, might not have an adequate size to achieve efficiencies through economies of scale or might not have the capacity required to own and leverage the newly acquired assets. Therefore, the Panel included recommendations to ensure sufficient capacity building of housing management bodies to ensure housing providers are able to capitalize on this new responsibility. This includes operational and administrative capacity, development expertise and fiscal capacity, to not only address the unique needs of individual communities but also to improve the affordable housing stock and to provide better services to those in need.

Lastly, while the Panel found great support from key stakeholders for the transfer of assets, the Panel was clear that the proceeds from any said transfer must be maintained in the affordable housing sector. The Panel recommends that the proceeds derived from the transfer of assets be held in a dedicated investment fund, with the income derived to be reinvested into affordable housing initiatives. This recommendation achieves two goals: it will ensure that the principal proceeds from any asset transfer remain protected, while providing long-term returns to be used solely and specifically to address affordable housing needs in Alberta.

Promoting Partnerships

Issue: Addressing the affordable housing needs of Albertans requires partnerships and collaborations with all housing partners, including the federal government, municipal governments, housing management bodies, housing operators in the not-for-profit sector, the private sector and Indigenous organizations.

A single approach to affordable housing in Alberta cannot address the unique differences that exist in various areas of the province. Differences are particularly pronounced between large urban centres, where waitlists for affordable housing are relatively high, compared to smaller rural and remote communities that are in some cases characterized by high vacancy rates in the affordable housing stock and in private sector accommodation. Working with housing partners to build on existing partnerships and form new collaborations is necessary to address the diverse and unique needs of housing in Alberta. These partnerships can result in maximizing the assets and resources of each partner to significantly increase affordable housing for all Albertans.

Key stakeholders have stated that diverse tools are required to address housing needs across the continuum of need. No single approach will address all needs. Housing is not only an issue of supply in terms of building new units. In some cases, solutions may involve subsidizing rents to allow people with low incomes to access market accommodations.

Key stakeholders have also noted that local organizations know the local challenges best and shifting decision-making to the local level can streamline processes while increasing the benefits to the community.

In addition to working more collaboratively with municipalities and local housing providers, representatives from Canada Mortgage and Housing Corporation (CMHC) highlighted the opportunities for increasing federal funding for affordable housing projects in Alberta. This was supported by input from key stakeholders who stated that the Government of Alberta should maximize federal funding. It was noted that in many cases federal funding has been left on the table because the provincial and municipal governments did not have funding and processes in place to take advantage of these funding opportunities.

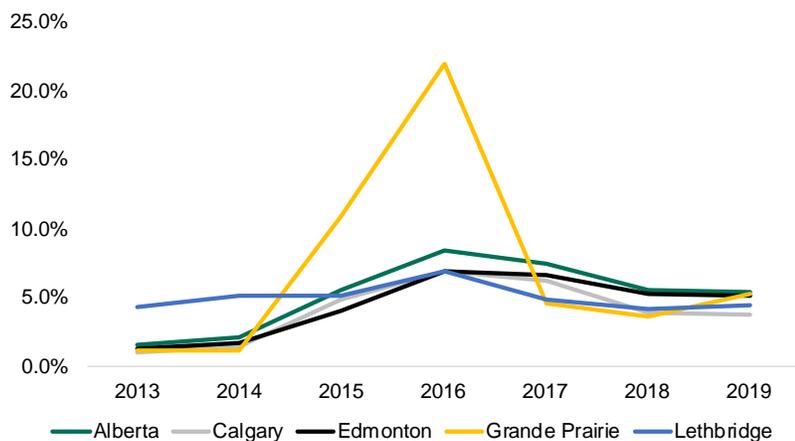
Key stakeholders noted that one approach to maximizing federal funding was for the Government of Alberta and municipal governments to provide underutilized land at below-market value for the development of affordable housing. This would create the equity that affordable housing providers require to secure financing for new projects and could be leveraged to encourage greater levels of investment, as land would be considered as an in-kind contribution under some federal funding programs that require cost-matching. By providing such lands on a lease basis, the province could continue to hold the asset, thereby minimizing financial impacts on the Government of Alberta.

Throughout Alberta, Indigenous peoples are overrepresented among the homeless population. Key stakeholders noted that programs to address these issues do not always fully incorporate the cultural sensitivities required to make them successful. Similar challenges were mentioned for immigrant

households that are frequently larger and might require a unit suitable for intergenerational living. Households with seniors or members with a disability might have specific requirements for their home. During the key stakeholder consultation and as part of the jurisdictional scan, it became clear that progress is being made in developing these culturally sensitive and household-specific solutions. For example, CMHC has housing programs for Indigenous communities. There is a clear opportunity for the Government of Alberta to facilitate discussions with the federal government and Indigenous organizations to ensure that these programs are used to address housing needs for Indigenous communities in the province. The Government of Alberta should play an active role in facilitating communication and raising awareness. Any collaboration with the federal government concerning the housing needs of Indigenous peoples in Alberta should include Indigenous peoples and should link to the provincial strategy recommended in Recommendation #1.

The private sector is an important partner in addressing affordable needs in Alberta. Research shows that there are many opportunities to work with the private sector to meet these needs. The vacancy rate for purpose-built market rental housing in Alberta was 5.4% (8,231 units) in 2019 and was mostly consistent in all markets reviewed as part of this study except for Calgary where the vacancy rate was as low as 3.8%. These vacancy rates are higher than what is generally considered a balanced market (vacancy rates of 3.0%). As such, this presents an opportunity for the Government of Alberta to work with private landlords by providing rent supplements to leverage private stock that is currently vacant and could be used as affordable housing. This provides an opportunity to assist working Albertans with modest incomes to move out of affordable housing units into the private rental market or stay in the private rental market. Additionally, rent supplements have economic and social advantages. Allowing Albertans to exercise more choice in their housing creates direct economic benefits for housing providers while ensuring that families find suitable accommodations near their place of employment or children’s schools.

Figure 2: Vacancy Rates over Time: Alberta; 2013 - 2019



Canada Mortgage and Housing Corporation 2020

To address this issue, the Panel developed the following recommendations, which are based on the principles of bold action, fairness, inclusiveness, efficiency, sustainability, and one size does not fit all.

Recommendation #8: Identify opportunities to maximize and leverage federal funding to increase the supply of affordable housing in Alberta, such as providing provincial land and buildings as in-kind contributions to trigger federal fund-matching programs.

Recommendation #9: Work with Indigenous stakeholders, including Metis governments, to advocate to the federal government for continued, long-term supports to address the housing needs of Indigenous communities in Alberta.

The advocacy strategy should include and build on the work of existing councils, such as the Métis or First Nations Women's Councils on Economic Security, to ensure Indigenous people in Alberta have access to their share of federal funding.

Recommendation #10: Direct current and future provincial funding allocations to a mix of rent supplements and capital funding that maximizes affordable housing choices for Albertans.

Recommendation #11: Building on the current review of the rent supplement program, rebalance funding to include a modest subsidy for people who are currently not able to access deeper subsidy programs to enable them to stay in their housing or find housing of their choice in the private market.

Recommendation #12: Encourage municipalities to develop local housing and homelessness needs assessments and action plans to better understand local needs; identify local priority populations; help guide local, provincial and federal investments in affordable housing; and develop solutions to address the unique needs of urban, rural, and remote communities.

Rationale

The goal of these recommendations is to find new and better ways of working with all housing partners to better address the affordable housing needs of all Albertans.

These recommendations are based on the awareness that municipalities, housing management bodies, local housing operators, and community organizations would be best positioned to identify the local housing needs in their communities and to develop solutions to address these unique local needs. Some municipalities have already developed local housing needs assessments and action plans that identify local housing needs and potential solutions. There are still many communities that would have to develop their own needs assessments and action plans. These plans would not only assist in better understanding the local needs and priority populations, but could also be used to make better decisions at both the local and provincial levels.

These recommendations are also based on the fact that there are opportunities to work more collaboratively with other housing partners, such as the federal government and the private sector. Some CMHC funding programs require contributions from the provincial or municipal governments.

Key stakeholders have noted that this requirement has led to some Alberta projects being deemed ineligible for federal funding, as there was no process for cost-matching. The recommendations put forth by the Panel will address this issue but will also guide decision making to ensure that provincial programs build on existing federal programs to maximize the funding available for affordable housing.

In the 2019 budget, the Government of Alberta committed to a redesign of its rent supplement program to focus on supporting people who already have appropriate housing but who are paying more than 30% of their income for housing costs. As such, the recommendations put forth by the Panel build on this review of the rent supplement program to ensure that Albertans have more affordable housing choices, whether these are in subsidized housing units or in the private rental market. The recommendations also aim to assist people who may not be prioritized for subsidized housing but who still need some assistance to afford their rents. These recommendations would help a wider range of Albertans by spreading the investment in affordable housing across multiple levels of support for households in need.

The recommendations brought forth by the Panel will build on the current opportunity presented in the form of high vacancy rates in the private rental market in some communities. It has been noted that rent supplements are a particularly effective tool in helping those in need achieve housing stability quickly during periods of economic uncertainty, such as that currently being experienced. Furthermore, some private landlords have expressed interest in renting out units below the average market rent in exchange for a long-term agreement to house individuals and families who are in receipt of rent supplements. This arrangement would assist those landlords who are currently experiencing high vacancy rates while also ensuring government expenditures on these rent supplements are locked in for a specific period of time.

Simplifying Administration

Issue: The complexity of current affordable housing programs is confusing for Albertans, expensive to administer and does not support local solutions or innovation.

A common theme in over 40 engagement sessions with key stakeholders and 115 written submissions received was the need to simplify the administration of the current affordable housing system. Most housing operators who participated in the engagement sessions stated that the current approach to determining eligibility and calculating rents was extremely complicated, requiring significant time and staff resources, and was also challenging for tenants and applicants, given the number of documents they were required to provide. For example, rents in some social housing units are calculated monthly in response to any change in household income. Not only is this a drain on staff resources, but it requires households to needlessly reproduce the necessary documents on a monthly and ongoing basis.

Housing operators also stated that the rents they can charge are not sufficient to cover operating costs, leading to deficits that have to be funded by the government and causing an increasing drain on taxpayers. Input from key stakeholders is supported by research undertaken by government staff, which shows that while average market rents and average household incomes have continued to increase (as demonstrated in Figure 3), rents for families on some government financial assistance programs have remained static. For example, while average rents for a three-bedroom apartment in Alberta have increased by about 85% from 2000 to 2017, the rents for families receiving income support have seen no increases over this same period and the rents for families receiving AISH have increased by only 11%.

Similarly, the average rent for a one-bedroom apartment in Alberta increased by about 84% from 2000 to 2017 and rent for seniors' housing units has increased by about 52%. The rent for someone receiving income support, however, has not increased at all during this same period, and the rent for someone receiving AISH benefits has increased by only 12% (as demonstrated in Figure 4).

Stakeholders stated that these rules act as disincentives for not-for-profit and private organizations who would have otherwise been interested in developing affordable housing. In addition, the capped rents in subsidized housing have not only contributed to a financially unsustainable affordable housing system, they have also contributed to an unfair system. Key stakeholders noted that while rents in seniors housing have increased in proportion to their income, rents for community housing units or units for AISH recipients have not increased because of the increases in these benefits. During the engagement sessions, numerous examples highlighted the disparity between rents for families in affordable housing due to their sources of income, which resulted in some families paying significantly different rental rates than others, even when their overall incomes were similar. While lower rents provide additional disposable income to these households, these lower rents make the operation of affordable housing units extremely challenging for housing providers in Alberta. The net result, therefore, is that the sustainability of the system is at risk because it places significant pressure on the Government of Alberta to cover these shortfalls. Addressing these disparities will ensure that affordable housing in Alberta remains fair, equitable and sustainable.

Panel discussions on this issue noted not only the lack of fairness in this current system, but also the lack of accountability and the disincentive to move out of non-market housing units and into the private market. Families who could actually afford average market rents in their communities have no incentive to move out of subsidized housing units and into the private market, which has the effect of preventing families with deeper needs from accessing these units.

Figure 3: Trends in Affordable Rent by Source of Income for Families; 2000 - 2017

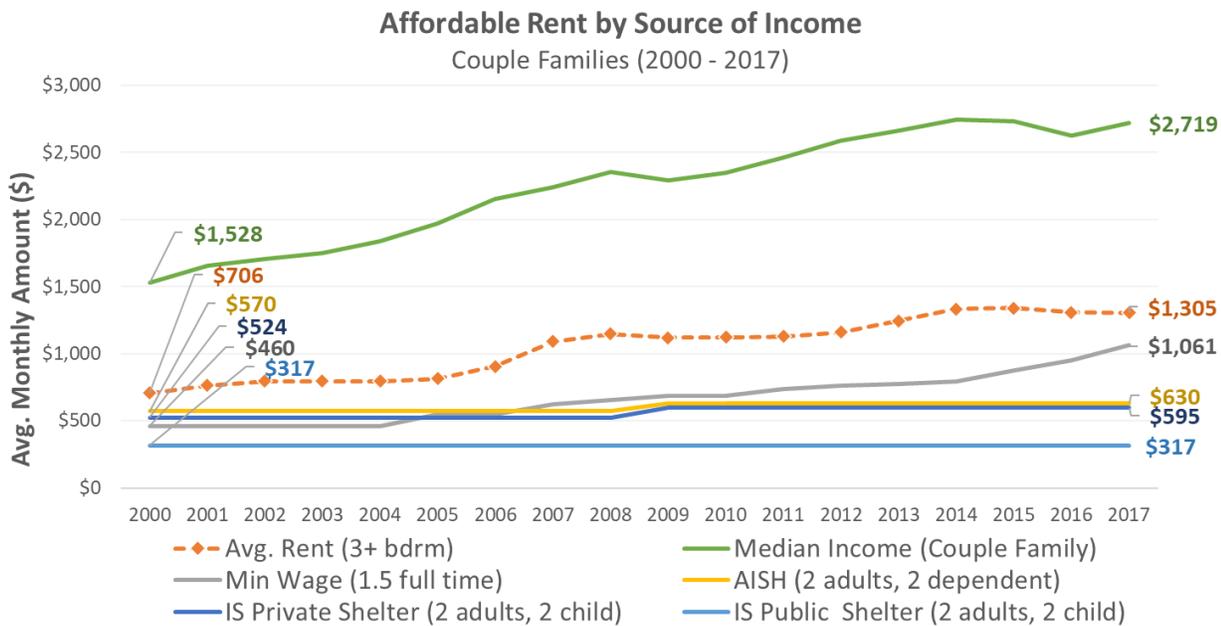
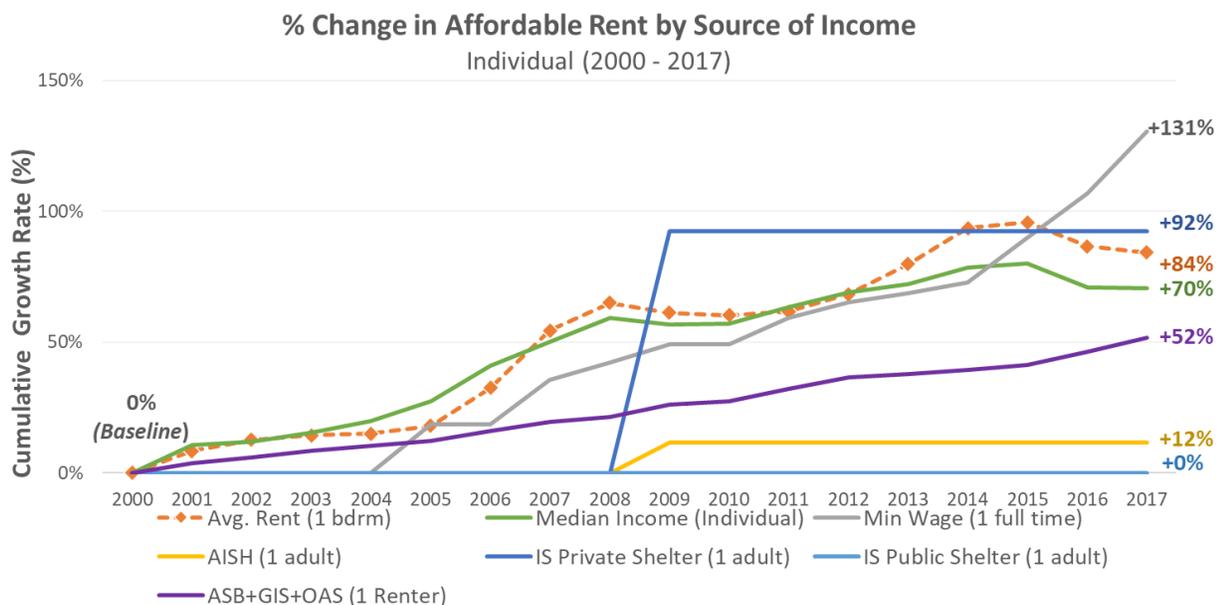


Figure 4: Percentage Change in Affordable Rent by Source of Income for Individuals; 2000 - 2017



The need to re-examine the requirements of the *Social Housing Accommodation Regulation* was also highlighted by many key stakeholders. It was noted that the Regulation often acts as a barrier for some clients who required some assistance but who were not prioritized, in some cases because they had higher incomes. Prioritization is currently based on income, the number of dependents, and the risk of homelessness. This limited the ability of housing operators to meet local needs if certain population groups are not considered provincial priority groups or if some households need only a moderate subsidy. Furthermore, the desk research showed that a household would need to earn \$46,000 to afford the average rent in Alberta. Based on household income data obtained through Statistics Canada, it is estimated that between 250,000 and 300,000 households in Alberta would not be able to afford these rents if they were to rely on income alone. While many of these households are working, their incomes are too low to afford average market rents, but too high to be prioritized for subsidized housing under the Regulation. Providing a moderate subsidy would allow these households to remain in the private rental market and allow them to reallocate some of their income to other basic needs, such as food.

Key stakeholders also stated that asset limits currently exist only for family community housing units, but not for seniors housing units. While seniors should be allowed to age in their own communities, in the interest of fairness, key stakeholders felt that asset limits should also be applied for seniors housing units and seniors with low incomes and no or little assets should be prioritized.

Input from key stakeholders also highlighted the need for a more centralized waitlist system, including standardized application forms and a way for people to search for housing in different areas without having to undertake multiple searches and submit numerous applications. Some individuals and families have the flexibility to move to different communities to find housing yet the current system would require them to search within the jurisdiction of each housing management body and housing operator to find vacancies. An example provided by stakeholders is a senior in Calgary would have to apply to 12 different organizations to find affordable housing. Stakeholders have stated that the current system is a barrier to assisting people in need. A more centralized system would streamline this search and would allow some people to move off the waiting list while also assisting housing operators by filling their vacant units. Key stakeholders also stated that each housing operator used different application forms, some of which ask for unnecessary and/or inappropriate information. A standardized form for each of the affordable housing programs would simplify the process for applicants as well as for housing operator staff.

In addition, housing management bodies and other housing operators noted that because government must make decisions about the properties it owns, the current processes for funding capital maintenance are cumbersome, restrictive, and result in delays and a reduced number of quality units. Specifically, the requirements for bidding and approvals create an unnecessary level of bureaucracy. Some stakeholders stated that approvals for capital maintenance funding could take up to eight months, resulting in estimates that were no longer valid and increased costs as assets have further deteriorated.

To address this issue, the Panel developed the following recommendations, which are based on the principles of fairness, efficiency, sustainability, and financial responsibility.

Recommendation #13: Direct the Government of Alberta to update the approach to determining eligibility and calculating rents to include additional household income and assets and allow for more local control over prioritization to promote local solutions, rebalance fairness and generate more stable revenue.

The Panel recommends that the updated approach should include additional household income and assets and allow operators to verify household incomes on an annual basis. The updated approach should consider mitigation strategies, such as a transition period, to allow current residents to adjust to new rent levels and criteria. The updated approach should also be flexible enough to accommodate individual circumstances.

Recommendation #14: Work with housing operators to develop a centralized housing portal to manage waiting lists, including vacancies, and develop standardized application forms for the community housing and seniors lodge programs.

This centralized portal could build on existing systems and should utilize universal application forms and a centralized intake process for any future provincial programs.

Recommendation #15: Direct the Government of Alberta to improve its approach to capital maintenance funding, including the establishment of an expedited process for project approvals and setting benchmark timelines for project approvals.

Rationale

The goal of these recommendations is to make it easier for Albertans to access affordable housing and to make it easier for housing operators to provide affordable housing that is well maintained, of good quality, and meets the needs of the community while remaining financially viable.

These recommendations are based on simplifying the administration of the affordable housing system to make the system more responsive to the current and emerging housing needs of Albertans. These are focused on making it easier for Albertans to access affordable housing by standardizing the processes across the entire province and increasing fairness across the system. These are also aimed at helping housing operators to operate in a more financially sustainable way by providing them with consistent and moderately higher revenue streams that can be reinvested in the system, thus avoiding losing any affordable housing units and maintaining the level of service for residents.

The current system excludes certain income sources and assets in the calculation of rents. In some cases, this has resulted in households with similar incomes paying very different rents for similar-sized units. Similarly, the exclusion of assets in the prioritization and calculation of fees for the Seniors Lodge Program and other affordable housing programs means that those who hold significant assets are being prioritized and subsidized by the government. These scenarios are not fair or equitable to affected households. As such, the Panel decided that a fairer system would be one that considered assets and treated income consistently in the calculation of rents.

Panel discussions were also focused on ensuring that, while Albertans with the deepest housing affordability needs should be prioritized, it was also necessary to assist as many Albertans as possible. This would mean assisting households to remain in their current private market units or finding units in the private rental market and taking advantage of higher vacancy rates in some communities. It also means helping households to transition to the private market if they have the resources to do this, thus freeing up subsidized housing units for households with deeper needs.

Supporting Innovation

Issue: The existing land use regulations, requirements, and processes at both the provincial and local levels are barriers to delivering sufficient affordable housing, including innovative forms of housing.

Input from the engagement sessions and the online submissions highlighted that the planning approval process in some municipalities is a significant barrier to building housing, including affordable housing, as it adds to the timelines and costs. In addition, key stakeholders noted that local municipal bylaws often acted as barriers to innovative housing forms that would contribute to the diversity of the existing housing supply as well as increasing the supply of affordable housing.

For example, the economic downturn in some areas as well as the impact of COVID-19 has resulted in a number of vacant hotels/motels, office space, commercial space, and retail space in many communities throughout Alberta. This presents an opportunity to repurpose this stock into affordable housing. Some communities have already started to do this. For example, the largest local hotel in Red Deer is planning to renovate to create 103 bachelor and six one-bedroom suites. The site is zoned as commercial and already provides the right to create residential housing. The City of Red Deer provided a minor variance to allow for smaller suites than required in the City Bylaw (323 sq. ft. vs 398 sq. ft.). A minor change, which shows that with government support from municipalities and the province, the oversupply of hotel rooms might provide an opportunity for the creation of new affordable housing stock in Alberta. While there are certain challenges associated with repurposing existing buildings, such as building code and zoning bylaw requirements, this presents an opportunity to increase the supply of non-market and market housing at a lower cost compared to building new supply.

In addition to repurposing the current housing stock, mixed-income housing provides an opportunity for integration and for creating revenue models to support sustainability. These integrated communities build a sense of place, belonging, ownership, and social bonds between residents, which, in turn, provides more supports, and less reliance on the government. Some stakeholders have noted that a number of housing management bodies are already looking at this model to increase the number of affordable housing units in their portfolio while ensuring financial sustainability in the long term.

There are other ways to increase the affordable housing stock. Input from key stakeholders and online submissions have highlighted some innovative approaches, such as prefabricated homes, Passive House design, tiny homes, container housing, co-housing and secondary suites. Using different types of housing can reduce constructions costs and timelines. However, key stakeholders noted that in

many municipalities, building these types of housing would require a lengthy and complex planning approval process to allow for inflexible municipal legislation and regulations ill-equipped for innovative forms. It was also noted by stakeholders that these local regulations might act as a barrier to accessing the recently announced CMHC Rapid Housing Initiative, which focuses on the use of modular construction.

To address these issues, the Panel developed the following recommendations, which are based on the principles of bold action, one size does not fit all, inclusiveness, efficiency, and sustainability.

Recommendation #16: Encourage the Government of Alberta to examine how it can update the provincial regulatory regime to facilitate and expedite the expansion of affordable housing supply, such as streamlining planning approval processes and encouraging innovative forms of housing.

Recommendation #17: Encourage municipalities to update local planning policies, processes, and regulations to facilitate and expedite the development of affordable housing and permit and encourage innovative forms of affordable housing, such as tiny homes, secondary suites, co-housing, and repurposing of non-residential buildings into affordable housing units.

Recommendation #18: Work with housing partners to support and encourage innovative forms of affordable housing, such as the use of prefabricated homes, container housing, repurposing buildings, Passive House design, net zero housing, and other solutions that will increase the efficiency of affordable housing and effectiveness of housing funding.

Recommendation #19: Work with housing partners to support and encourage the development of innovative operating models, such as mixed-income, mixed-use, and mixed-tenure housing developments, which will create community benefits and increase the sustainability of affordable housing.

Rationale

The goal of these recommendations is to provide Albertans with a wider range of housing options, including affordable housing options, in their communities by making it easier to build innovative housing forms and use innovative approaches for operating housing.

These recommendations aim to make it easier for housing developers from both the private and not-for-profit sectors to increase the supply of affordable housing by reusing existing infrastructure as well as using creative ways that would lower capital and operating costs and ensure financial sustainability. These recommendations also aim to provide more flexibility in developing housing solutions that meet local needs. For example, some communities need more housing for seniors but some seniors would rather share their homes with a small group of friends than move to a seniors lodge or apartment. Other communities may need rental housing that is flexible enough to respond to

boom and bust cycles. As such, allowing prefabricated homes and secondary suites would increase the supply of rental housing in a much faster way while maintaining the overall character of the community.

While the negative impact of the drop in oil prices and COVID-19 on Alberta's economy has been significant, this also presents an opportunity to re-examine how existing buildings are used. For example, many hotels/motels, offices, and commercial buildings have become vacant. Often, these buildings are located in areas that are close to transit and other services and amenities. This presents an opportunity to reuse this stock to meet the increasing need for affordable housing at a lower cost compared to constructing new buildings. The recommendations of the Panel capitalize on this current opportunity.

While municipalities have jurisdiction over planning legislation, regulations, and approval processes, the Government of Alberta has the ability to encourage municipalities to streamline their processes and make it easier to create affordable housing.

Conclusion

The preceding recommendations from the Affordable Housing Review Panel are based on considerable research, input from a broad range of stakeholders, including individual Albertans, and extensive discussions on the options available and the impact of these recommendations on all Albertans. The Panels intends its recommendations bring about transformation. They shift the Government of Alberta's role from ownership and control to partner and funder, and signal a need to transform programs to focus on supporting Albertans, not operators, and to engage the capacity of the private sector in expanding the delivery of affordable housing in an efficient and sustainable manner. The Panel strongly believes that this report provides a critical foundation for the development of a strategic action plan that will identify how to implement these recommendations and achieve transformative change in Alberta's affordable housing system.

Appendix A: Terms of Reference of the Affordable Housing Review Panel

BACKGROUND

The Government of Alberta committed that housing would be more affordable and accessible for those who need it in Alberta, including seniors in need of specialized housing. The Government also committed to deliver housing projects in partnership with private and non-profit developers through an expanded use of mixed-income operating models. Compounding economic uncertainty is also challenging the Government to reduce spending further while still taking steps to address the growing demand for affordable housing. A review of programs across the affordable housing spectrum will help to clarify government's priority outcomes in supporting housing for Albertans in need, balancing financial sustainability with growing demand. This panel of housing and financial sector experts will provide advice to improve Alberta's affordable housing programs and propose recommendations on system improvement.

This Affordable Housing Review Panel (the Panel) is established under section 7 of the *Government Organization Act*.

PURPOSE: MANDATE AND ROLE

The purpose is to reimagine GOA's role and develop a vision to articulate the circumstances under which government should provide housing supports, for whom, and identify priority outcomes. The review will identify best-fit strategies for government's housing assets, funding and legislative levers, and will be guided by these questions:

- How can we get more value for government spending on housing?
- Can government address housing needs through the private market?
- What are the reasons people need subsidized housing and what role should government play?

To achieve this mandate the Panel will:

- Review economic and housing market outlooks, trend forecasts, and projections to explore long-term scenarios for housing supply and demand.
- Compare housing systems and programs in other peer jurisdictions, including government spending and outcomes achieved.
- Engage with key target groups to understand current challenges and to hear input on future opportunities.

- Identify opportunities for program redesign that could better serve target populations in need through existing housing capacity.
- Identify options for government to adjust its property portfolio, funding mechanisms, and legislation to achieve priority outcomes and strategic objectives.
- Provide advice on any other matter the Panel deems relevant to its mandate as a result of information coming to its attention during the course of the review.

SCOPE

The Panel will examine opportunities in the areas of government housing asset portfolio, capital and operating investments and spending, rent supports for Albertans, funding mechanisms, and legislative and regulatory tools.

In scope are the following types of affordable housing: seniors' lodges, senior-only housing, family and community social housing, family and community long-term supportive housing, and near-market affordable housing. The Panel recognizes there is overlap in the types of accommodations operators offer seniors. While continuing care standards, operating programs and funding will not be considered as these will be covered in the review of continuing care led by Health, the Affordable Housing Review Panel may forward related recommendations to the Ministry of Health for consideration.

The Panel also recognizes the interface with the province's income support programs and housing, including access, social supports, eligibility and rent rates. Recommendations made by the panel may include suggested changes to income support programs, as they relate to housing affordability. While the panel may consider the broad policy framework under which these programs operate, legislation, regulation or operating guidelines for income support programs are not in scope.

Private market housing is outside the scope, except for the purpose of analyzing and understanding opportunities in low-rent housing markets.

Emergency shelters and transitional accommodation are out of scope.

DELIVERABLES

The Panel will deliver its final report and recommendations to the Minister of Seniors and Housing no later than September 30, 2020.

An interim report on research findings and summary of engagement input will be provided to the Minister of Seniors and Housing no later than August 31, 2020.

The Panel shall provide any follow-up clarifications, explanations, or other advice as may be requested by the Minister of Seniors and Housing until November 30, 2020.

ENGAGING WITH TARGET GROUPS

The Panel will gather perspectives from the following groups to understand their perspectives on housing affordability, their specific needs and the current programs:

- Seniors;
- People with disabilities;
- Northern and remote residents;
- Indigenous peoples;
- People with mental health and addiction issues;
- Newcomers;
- Veterans;
- LGBTQ2 community;
- Survivors fleeing family violence; and,
- People experiencing homelessness.
- Housing operators;
- Working households who live in affordable housing
- Households on income supports

The panel may identify additional groups and engage with them as the Panel deems relevant to its mandate. An engagement plan will be created to establish how the panel will gather these perspectives.

MEMBERSHIP

The Panel will be led by an MLA and consist of up to ten members representing a diversity of perspectives: non-profit operator, non-profit rental operator, rental developer, real estate investor, academic expert and housing advocate.

Membership is established by the Minister of Seniors and Housing under Ministerial Order 004/20.

The Executive Lead, Housing Review and one other department staff will participate in Panel meetings as guests of the Panel. The Deputy Minister of Seniors and Housing may attend as a guest as well, from time to time and at the Panel's request. The role of department staff is limited to providing information as requested by the Panel. Department staff do not have the ability to make motions, debate or make decisions on Panel activities and deliverables. The Panel may request department representatives leave a Panel meeting to hold discussion in camera.

PANEL/MEMBERSHIP TERM

Panel members are appointed for a five-month term, from July 1, 2020 to November 30, 2020, with potential extension to a maximum of one year if required. Vacancies will be filled by the Minister through Ministerial Order.

PANEL MEETINGS

The Panel will meet approximately once every two weeks for full- or half-day meetings, for a minimum of six meetings during the term.

Members will provide notification of absence to the Chair in advance. If more than two meeting absences are expected in the term, the member must notify the Chair. A minimum quorum of five members and the chair are required to hold meetings.

Meeting materials will be provided by the secretariat support one week in advance of each meeting. Summary notes from each meeting will be approved by the Panel.

Decisions will be made by discussion and consensus.

CONFIDENTIALITY AND CONFLICT OF INTEREST

The discussions and deliberation of the Panel are confidential and cannot be shared beyond Panel members, the Minister, and secretariat support staff. Information gained through the course of participation on the Panel cannot be used for personal interest or gain, or that of a close family member. Members will be required to swear an Oath in front of Commissioner for Oaths and returned a signed copy to the Minister. Any real or perceived conflicts of interests must be disclosed to the Chair immediately.

Public disclosure of reports submitted to the Minister are under the discretion of the Minister.

All Panel records will be considered Government of Alberta (GOA) information and will be retained by the department for a period of ten years. Information will be managed in compliance with the Records Management Regulation, the *Freedom of Information and Protection of Privacy Act*, and applicable Information Management Technology Standards.

- All of the GOA Information shall be and remain the property of the GoA.
- The GoA shall continue ownership including copyright, patent, trade secret, industrial design or trade mark all materials which were owned by the GoA prior to the execution of the Panel and shall own all materials created by or on behalf of the GoA's employees, subcontractors and agents during the review.
- No use, copy or disclosure, except as necessary for the performance of the services or as required by law, or upon written authorization of the GoA, of any protected GoA information.
- All GoA information will be kept secure and shall comply with all security policies, regulations or directives, including those relating to cloud storage and data residency.
- All GoA information, including transitory information, will have a records retention and disposition schedule applied to it and will be retained and dispositioned in accordance with the applicable schedule and with GoA disposition procedures.
- Should a Freedom of Information and Protection of Privacy (FOIP) or any access request for Personal Information be received from the FOIP office, the Panel will provide all Personal Information and other information necessary for the GoA to fully and completely respond to the FOIP or any access request within five (5) business days of notification.

REMUNERATION AND EXPENSES

Panel members may also be reimbursed for reasonable expenses necessarily incurred in the course of performing their duties as Panel members in accordance with the Travel, Meal and Hospitality Expenses Policy, as amended, the Seniors and Housing Travel Policy and Procedures, and the Seniors and Housing Hospitality Policy.

Virtual meetings will be encouraged to ensure safe physical distancing practices and adherence to any travel and meeting restrictions during the COVID-19 pandemic. Where relevant or required, members will be reimbursed for travel costs and expenses related to meetings as per the policies listed above. Travel must be pre-approved by the department, by submitting a request to the secretariat or Chair. Travel expense claims must be sent to the department of Seniors and Housing for reimbursement.

Honoraria will be available to those whose roles or income cannot support their participation on the Panel. Panel members must notify the secretariat if they will experience a loss of remuneration and financial burden as a result of service on the Panel. At the Minister's sole discretion, the member may be deemed to meet the above conditions and a panel member may receive an honorarium as per the authority and guidelines of the Committee Remuneration Order (OC 466/2007), schedule B Part 2.

SECRETARIAT

A contracted consultant will provide secretariat support to the Panel, which will include the following:

- Arrange meeting logistics, recording meeting notes and assisting the Chair with drafting and delivering meeting agendas and materials
- Serve as the liaison between the Panel and the department
- Arrange access to information as required, including in relation to other departments and agencies of the government
- Conduct research and analysis on behalf of the Panel
- Assist with engagement planning, arrange logistics for meetings with key groups, develop engagement tools and discussion guides under the Panel's direction, and draft notes and summaries of the input
- Draft the interim and final report deliverables for panel review

ROLES AND RESPONSIBILITIES

Role	Responsibilities
Chair	<ul style="list-style-type: none">• Sets the agenda.• Chairs and facilitates meetings.
Panel Members	<ul style="list-style-type: none">• Review meeting materials in advance.• Attend meetings.

	<ul style="list-style-type: none"> • Make motions, debate or make decisions on the Panel's activities and deliverables, within the scope of the Panel's mandate. • Take an active role in directing and analyzing research and deliverables. • Provide expense claims and suitable documentation of any eligible expenses requested for reimbursement.
Secretariat (contracted support)	<ul style="list-style-type: none"> • Develops and distributes agenda and minutes, under the direction of the Chair. • Makes arrangements for members' participation. • Makes arrangements to implement the engagement plan. • Receives direction from the Panel to collect information, conduct research, analyze information, and draft meeting materials and reports. • Supports follow-up actions from meetings or Panel information requests for Seniors and Housing, other departments or agencies of government, as required.
Department Staff	<ul style="list-style-type: none"> • Attend meetings as guests of the Panel • Limited to providing information at the Panel's request • Are not present for in camera discussions

Appendix B: Panel Membership

The panel includes members with a diverse range of expertise and backgrounds as housing providers, developers, civil society organizations, academics, and housing advocates.

Mickey Amery, MLA Calgary-Cross, Chair

Mickey Amery was elected as the Member of the Legislative Assembly for the constituency of Calgary-Cross on April 16, 2019. He was the 913th Member to be sworn in to the Legislative Assembly of Alberta. Prior to serving with the Legislative Assembly, Mr. Amery was a practicing lawyer and business owner in Calgary. He has worked on a number of cases of national significance in the areas of Aboriginal law and consumer protection. Mr. Amery holds a bachelor's degree in political science, a bachelor's degree in economics and a Juris Doctorate degree in law.

Paul Boskovich

Paul Boskovich is president of Genstar Development Company and oversees all aspects of the organization from operations, finance, investor relations and human resources. Paul has been a key leader in the homebuilding and development industry in Canada for several years and currently is the past Chair of BILD Calgary Region, the incoming Chair for BILD Alberta as well as a Board member for the Canadian Home Building Association (National). Paul has a MBA from the Haskayne School of Business and Bachelor of Arts degree from the University of British Columbia.

Lauren Ingalls

In May 2011, Lauren Ingalls joined Westwinds Communities as the CAO. Since 1993, Lauren has worked exclusively as the CAO/CEO in the seniors and social housing industry with 4 different agencies ranging from 78 to 1,500 units and constructing over 540 seniors and affordable housing units. She has operated most housing programs in the sector including supportive living, enhanced lodge, dementia care, social housing, seniors independent living, rent supplement, near market and market rental accommodation.

Jeffrey Johnson

Jeffrey David Johnson has demonstrated a high level of leadership in both private sector and public office. He served 2 terms as a Member of the Legislative Assembly and served in several key positions, including Minister of Education, Minister of Seniors and Housing, Minister of Infrastructure and 5 years as a member of Treasury Board including a stint as Vice-Chair. Since elected office, Jeff has been involved in several business ventures including raising capital for a number of business initiatives. He also does extensive advisory work on P3 projects in Alberta.

Sam Kalias

Sam Kalias, as chairman and CEO of Boardwalk, serves a team of more than 1,600 associates located in four provinces. Sam is a Fellow of the Real Estate Institute (FRI) and a Certified Property Manager (CPM) and over the years has been the recipient of numerous awards, including Top 40 Under 40, Western Canada's Real Estate Entrepreneur of the year award, the Pinnacle award and the

Canadian Governor General award, in recognition of Queen Elizabeth's 50th Anniversary Golden Jubilee Medal.

Javaid (Jerry) Naqvi

In 1964, Javaid Naqvi left his family and his native country of Pakistan and came to Toronto, Canada in the quest to make a future. Today, Naqvi's Cameron Corporation is a multi-faceted real estate company with investments in commercial, retail, land development, home building, and multi-family with both office and industrial opportunities on the horizon. Mr. Naqvi's accolades include EY's Entrepreneur of the Year Prairies Winner in Real Estate/Construction, 2013 Ernst & Young finalist for Entrepreneur of the Year and 2011 Queens Diamond Jubilee Medal.

Marcia Nelson

Marcia Nelson is an executive fellow with the Haskayne School of Business and the School of Public Policy at the University of Calgary. Prior to this appointment in May 2019, Marcia served as the Deputy Minister of Executive Council, Cabinet Secretary and head of the Alberta Public Service, and previously held several deputy minister positions, including Innovation and Advanced Education, Infrastructure, Health and Housing and Urban Affairs. Marcia is also currently a board member with Alberta Blue Cross.

Raymond Swonek

Raymond is the chief executive officer of Greater Edmonton Foundation Seniors Housing (GEF) in Edmonton, and president of the Alberta Seniors Communities & Housing Association. GEF Seniors Housing is the largest provider of seniors subsidized and affordable independent living in Alberta, serving more than 3,800 seniors who live in one of 43 GEF communities. He is a chartered professional accountant with more 30 years of business experience in Canada, New Zealand and Australia. He has worked in senior management roles in the seniors housing industry since 1997.

Dr. Sasha Tsenkova

Dr. Sasha Tsenkova is professor of planning at the University of Calgary and a Fellow of the Canadian Institute of Planners. She holds a Ph.D. in Architecture (Technical University, Prague) and a Ph.D. in Geography (University of Toronto). Dr. Tsenkova specializes in urban planning, housing policy and sustainable urban development. Her research and professional activities in these areas for the World Bank, Council of Europe and the United Nations include a range of housing and urban projects in more than 20 countries.

Rachelle Venne

Rachelle Venne is the chief executive officer of the Institute for the Advancement of Aboriginal Women (IAAW). She has over 20 years of experience building collaborative partnerships in the non-profit, corporate and government sectors. In 2012, Rachelle received the Queen Elizabeth II Diamond Jubilee Medal for her community service with REACH Edmonton. In March 2017, Rachelle was selected as one of 6 Canadian NGO delegates to attend the United Nations Commission on the Status of Women in New York.

Appendix C: Engagement Participants

Session	Participating Organizations
Community Organizations Session #1	Horizon Housing Society Altus Group Edmonton Social Planning Council Edmonton Community Development Corporation Centre to End All Sexual Exploitation (CEASE)
Community Organizations Session #2	HIV Edmonton
Seniors Organizations	Alberta Seniors & Community Housing Association (ASCHA) Calgary Seniors Resources Society
Housing Operators (Non-Profit)	Horizon Housing Society Right at Home Housing Society Operation Friendship Society
Housing Operators/ Housing Management Bodies Regulated	Silvera for Seniors Evergreens Foundation The Bethany Group Medicine Hat Community Housing Society Leduc Regional Housing Foundation Green Acres
Métis Child and Family Services Society	Métis Child and Family Services Society
Organizations Supporting People with Mental Health & Addiction Issues	Safe Harbour Society Alpha House
Organizations Supporting People with Disabilities	Voice of Albertans with Disabilities Inclusion Alberta Albertans Advocating for Change Together Office of the Advocate for Persons with Disabilities Spina Bifida & Hydrocephalus Association of Northern Alberta
Organizations Supporting Veterans & Military	Homes for Heroes Military Family Resource Centre (MFRC)
Organizations Supporting Newcomers Session #1	Centre for Newcomers Africa Centre Catholic Social Services

Session	Participating Organizations
Capital Region Housing Corporation (CRHC)	Capital Region Housing Corporation
Alberta Public Provincial Housing Associations	Alberta Public Housing Administrators Association
Leduc Regional Housing	Leduc Regional Housing
Mental Health	Canadian Mental Health Association
Northern Alberta Chief Administration Officers	Medicine Hat Community Housing Society Heart River Housing Lakeland Lodge & Housing Foundation Boreal Housing Westwind Communities Leduc Regional Housing Authority North Peace Housing Foundation Rimoka Housing Foundation: Ponoka Grand Spirit Foundation, Grande Prairie The Evergreens Foundation
Organizations Supporting People Who Experience Homelessness	Calgary Homeless Foundation Calgary Homeless Foundation Hope Mission
Southern Alberta Chief Administration Officers (Rural and Small Urban)	Porcupine Hills Lodge Medicine Hat Community Housing Society Taber & District housing Foundation Ridge Country Housing: Warner Mosquito Creek Foundation Green Acres Foundation Claresholm Housing Authority Foremost Housing Authority Newell Housing Association Lethbridge Housing Authority Willow Creek Foundation Wheatland Housing Management Body
Organizations Supporting At Risk Youth	Child Advocacy Centre John Howard Society of Alberta YESS Edmonton
HomeSpace	HomeSpace
Indigenous Organizations Session #1	Bent Arrow

Session	Participating Organizations
Heartland Housing Foundation	Heartland Housing Foundation
Northern and Remote	Alberta Rural Development Network
Municipalities – Homeless Focused	City of Grande Prairie City of Edmonton Affordable Housing and Homelessness Regional Municipality of Wood Buffalo
Organizations supporting LGBTQ2S+	Pride centre of Edmonton Institute for Sexual Minority Studies and Services
Organization Supporting Seniors	SAGE Seniors Association Kerby Center Brazeau Foundation
Homeward Trust	Homeward Trust
Premier's Council on the Status of Persons with Disabilities	Premier's Council on the Status of Persons with Disabilities
Prosper Place	Prosper Place
Organizations Supporting Survivors Fleeing Family Violence	Alberta Council of Women's Shelters RESET Calgary
Métis Nation of Alberta	Métis Nation of Alberta
Home Ed and Private Sector	Home Ed
Métis Housing Association	Métis Urban Housing
Housing Organizations	St Albert Housing Society Brentwood Family Housing Society Heart River Housing NACHA
Organizations Supporting Newcomers Session #2	Edmonton Mennonite Centre for Newcomers
Municipal Organizations Session #1	Red Deer Lethbridge Alberta Urban Municipalities Association Rural Municipalities of Alberta
Municipal Organizations Session #2	Banff Housing Sustainability Wood Buffalo Housing & Development Corporation, Vibrant Communities Calgary
Vibrant Communities Calgary	Elizabeth Fry Society Aboriginal Standing Committee on Housing and Homelessness

Session	Participating Organizations
Calgary Housing Company	Calgary Housing Company
Municipality of Wood Buffalo	Regional Municipalities of Wood Buffalo Nistawoyou Association Friendship Centre The Salvation Army Fort McMurray Addictions & Mental Health Fort McMurray Community and Housing Initiatives YMCA of Northern Alberta ASIES Northeast Region Fort McMurray CRAE Ft. McMurray REALTORS® Indigenous and Rural Relations, Regional Municipality of Wood Buffalo The Salvation Army Neighbourhood and Community Development, Corporate and Community Services, Regional Municipality of Wood Buffalo
Indigenous Organizations Session #2	Assembly of First Nations Alberta Association Native Counselling Services of Alberta Elizabeth Fry Society of Calgary
Private Sector Rental Organizations Session #1	Avenue Living Alberta Residential Landlord Association
Private Sector Organizations Session #1	Urban life Properties Ltd. Homeward Trust BILD Alberta Extreme Strong Build
Private Sector Organizations Session #2	End Poverty Edmonton Horizon Housing McMan Calgary & Area Islamic Family and Social Service Association Altus Group Aboriginal Standing Committee on Housing and Homelessness
Private Sector Rental Session #2	Mainstreet Corp.

Appendix D: Affordable Housing Review Inbox Submissions

Submissions received were categorized based on who provided feedback. Divided this way, six separate groups were identified: housing management bodies (HMBs); developers; municipalities; civil society organizations, advocates and government advisory councils; private sector associations; and individuals. Submissions from these for groups provided a wide variety of information and wisdom for the Panel to draw from, bringing a variety of perspectives and experiences to the table. The total number of submissions by each of these has been captured below:

Sender Category	Number of Senders	Number of Submissions
Housing management bodies	22	24
Developers	8	9
Civil society organizations, advocates, and government advisory councils	31	32
Municipalities	7	7
Private sector associations	5	6
Individuals	41	45
Total	114	123

Individual Albertans provided the most submissions, followed by civil society organizations, advocates, and government advisory councils, and housing management bodies.