

Affordable Housing Partnerships Initiative – Phase II

Introduction:

Phase I of the Affordable Housing Partnerships Initiative resulted from the signing of the Canada-Alberta Affordable Housing Program Agreement between Alberta Seniors and Community Supports and Canada Mortgage and Housing Corporation on June 24, 2002.

On August 15, 2005, Phase II of the Affordable Housing Partnerships Initiative was signed, which will commit \$63 million over the next two years to increase the supply of affordable housing in Alberta.

Purpose of the Affordable Housing Partnerships Initiative:

- To provide stable, secure, and affordable housing for lower-income residents, which may consist of low-income working families and individuals, persons or households with special needs, and seniors in high-growth, high-need urban centres and other areas with considerable housing needs.
- To provide one-time grants for eligible capital costs to assist municipalities, local community housing authorities, non-profit organizations, and private sector groups in the construction of new affordable housing projects, major renovations to convert existing non-housing projects into housing, or restoration of existing housing stock.

Principles:

The following principles guide the implementation and operation of the Affordable Housing Partnerships Initiative:

- The initiative is targeted to high-growth, high-need urban centers and other areas with considerable housing needs to increase the supply of and access to affordable rental housing for low-income families and individuals, persons with special needs, and seniors.
- Proposals will be selected based on the greatest demonstrated need, financial viability and sustainability, and experience in the delivery and operation of housing projects. Parties interested in preparing affordable housing proposal applications are encouraged to work with their local municipality to ensure their project addresses local needs.
- Projects developed under the initiative are expected to remain as affordable housing for a period of not less than 20 years.

Note: For the purposes of this initiative, affordable housing is defined as housing that is modest in terms of floor area and amenities, based on household needs and community norms, and with rents that are affordable to the targeted households (modesty assurance guidelines).

Program Delivery:

- On an annual basis, Alberta Seniors and Community Supports will identify high-growth, high-need urban centres and other areas with considerable housing needs to be given priority for Affordable Housing Partnerships Initiative funding.
- Municipalities, not-for-profit groups, local community housing authorities, and the private sector may submit applications to Alberta Seniors and Community Supports.
- Approvals will be based on proposals that are sustainable and best meet the requirements of the Phase II criteria.

Partnerships:

- The establishment of effective partnerships to plan, construct, own, and administer affordable housing is essential to the Affordable Housing Partnerships Initiative. The following are some possible partners that may be considered in developing affordable housing proposals:
 - non-profit organizations;
 - local community housing authorities;
 - municipalities; and
 - private sector companies.

Target Population:

- Primarily focused to low-income working families and individuals, persons with special needs, and seniors that:
 - are below the core needs income threshold and cannot afford to pay average market rent;
 - are on or are eligible for the social housing waiting list;
 - cannot find affordable accommodation;
 - live in overcrowded, shared, or unsuitable accommodation;
 - live in housing detrimental to health;
 - have special circumstances (e.g., accessibility needs); or
 - want to retain their independence as they age with access to required support services.

Eligible Proposals:

- Projects can be buildings or units created through new development, conversions from non-housing uses, or units that are retained in the housing system through renovations and meet the definition of affordable housing.
- The Affordable Housing Partnerships Initiative supports housing in the form of a complete, modest, and functional structure. The housing form can therefore vary from fully self-contained units to single room occupancy such as may be available in a rooming house setting. The provision of support services for projects is not included under the Affordable Housing Partnerships Initiative. Funding for support services must be provided through other sources.

- Proposals can include a mixture of units at market rent and below market rent.
- Proposals will be selected based on evaluation criteria developed by Alberta Seniors and Community Supports and will include factors such as greatest demonstrated need, financial viability and sustainability, and experience in the delivery and operation of housing projects. Units will have rents that are affordable to the targeted households in the urban center or area with considerable housing needs as determined by Alberta Seniors and Community Supports.
- Rents must be priced so that they are affordable to the targeted households.
- Tenants shall be drawn from the social housing waiting list and of those who are below the core needs income threshold and cannot afford to pay average market rents.
- The recipient must have land secured by holding ownership, have a bonafide offer to purchase, or have a lease agreement in place

Funding:

- Alberta Seniors and Community Supports will provide funding in the form of a capital grant.
- Eligible projects may receive combined federal and provincial funding up to a maximum amount of \$150,000 per unit.
- A grant funding agreement is required for each approved project that will specify the terms and conditions for the payment of federal and provincial funding and any contributions by others for the project.
- All funding sources must be disclosed.
- Alberta Seniors and Community Supports will monitor grant recipients and ensure compliance over the term of the grant funding agreement, including verification that each approved project has been completed and remains as affordable housing for a period of not less than 20 years.