Social housing is housing subsidized by governments (often developed in collaboration with the private and public not-for-profit sector) that is made available to those who would otherwise be unable to afford to live in suitable and adequate housing in the private market. Client groups for social housing include low-income singles and families, recent immigrants, lone-parents, seniors, persons with disabilities, Aboriginal people, and victims of domestic violence.

There is growing awareness of the effectiveness of community-driven social housing, increased coordination with support services and the role of housing in poverty reduction strategies. Cooperation across (and within) orders of government and the not-for-profit and private sectors, are setting the stage for more flexible and responsive models of organization and administration. To best determine the necessary improvements to achieve progress in these areas, it is critical to first understand where we are, as well as where we have been.

Social housing in Canada

Social housing programs have been almost constantly evolving over the past 65 years. Each era has faced its own unique challenges and strived to seize opportunities to meet the diverse housing needs of Canadians. Governments, not-for-profit organizations and Canadians recognize that social housing is an important community asset that plays a critical role in stabilizing the lives of Canadians in need. Social housing can be designed to promote community integration and well being. In order to meet changing community and demographic needs, social housing is continuing to evolve, with many examples of revitalization and regeneration.

Canada Mortgage and Housing Corporation (CMHC) and its provincial and territorial (P/T) counterparts provide a wide range of housing assistance programs. Some of these initiatives are joint (and cost-shared), while others are unilateral (i.e., under the auspices of only one order of government).

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1 See Chapter 6, Recent Trends in Housing Affordability and Core Housing Need.
2 Throughout this chapter, “P/T” is used to denote both provincial and territorial governments.
3 There are also other social housing units funded only by municipalities.
Social housing in Canada is currently funded mainly through agreements between the federal and P/T governments, and between federal or P/T governments and social housing providers. These agreements set out the guidelines and conditions for funding of housing programs, while leaving the administration in the hands of those who are in-tune with local needs. Eligibility criteria may be set through social housing programs themselves, or through a social assistance structure. Actual criteria and entitlement varies according to the circumstances, such as client category, family size and composition, shelter situation and cost (e.g., market tenancy, public housing, shared accommodation, and room and board), income from various sources and other variables.

Over the years, the federal government and P/Ts have created and maintained a ‘portfolio’ of social housing units through a variety of programs. As of 2010, there are about 613,500 units in the social housing portfolio that are receiving long-term subsidies from the federal government. The current federal contribution to these subsidized housing units is $1.7 billion annually, mainly through transfers to P/Ts under social housing agreements.

**Social housing characteristics**

Social housing has encompassed a vast array of programs and initiatives to provide housing assistance to those in need. Over the years a number of mechanisms have been used to develop housing. The CMHC program model for social housing typically involved a long-term mortgage covering 90%-100% of the up-front capital costs of the building of the project. At various points in time, this mortgage has been provided either by private financial institutions or directly by CMHC.

Resident profiles varied by program. Social housing projects either offered a mix of middle-income households paying full market rents and lower-income tenants paying rents geared to their income (usually 25% to 30%), or were targeted only to lower-income tenants. Non-rent revenues (e.g., parking, laundry facilities, commercial space), and, in the case of mixed-income projects, market rents, contributed to paying the mortgage debt and ongoing operating costs.

**The history of social housing**

Social housing has its roots as a government policy instrument in a time of significant housing shortages. It has evolved throughout the succeeding decades, with new models and approaches to housing delivery introduced to respond to other policy issues, such as urban renewal. However, the primary end goal has always remained the same—to provide shelter to those who would otherwise not be able to afford the costs of housing.

**1935-1948: Redefining a nation—from depression to post-war**

In 1935, the federal government proclaimed its first major piece of housing legislation, the *Dominion Housing Act*, in order to create more housing and promote recovery from the Depression. The Act established a federal role in housing by providing support to the housing sector to reduce the risk to mortgage lenders due to the numerous defaults that were occurring.

The 1938 *National Housing Act (NHA)* went further. The NHA was designed to promote the construction and repair of houses, and included measures to improve housing and living conditions. The NHA was the first

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4 Because social assistance schemes cover actual shelter costs up to maximum levels set by each P/T authority, clients of social assistance residing in social housing units do not usually receive supplementary shelter benefits beyond their normal social assistance entitlement. See www.hrsdc.gc.ca/eng/cs/sp/sdc/socpol/publications/reports/1996-000047/page00.shtml (July 13, 2011).

5 Funding levels may be on a decreasing scale, as mortgages are paid off and future expenses are expected to be covered by increasing rental charges and non-rental revenues.

6 Some programs targeted low-income tenants almost exclusively (e.g., see text box Aboriginal Housing Programs).
act to provide for the funding of social housing in Canada.⁷ In the early years, the primary social housing challenge was meeting the housing needs of workers and families in need during the Second World War.

After the war, the first of many amendments to the NHA aimed to address the immediate need to house returning veterans and meet new household demand as higher marriage rates, immigration, and post-war prosperity pushed up household formation, increasing demands for housing.⁸

To meet this demand, a federal crown corporation called Wartime Housing Limited (the predecessor of CMHC) built some 46,000 “wartime houses” between 1941 and 1947 to provide affordable housing for munitions workers, as well as returning veterans and their families (see text box War-time housing).

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**Wartime housing**

These sometimes pre-fabricated houses were based on standardized, inexpensive, 1½ storey designs that served as models for housing initiatives across Canada after the war (see Figure 9-1). Although they were conceived during wartime conditions and intended as temporary suburbs, many of these units have survived. An estimated one million wartime houses are still standing in Canada today.

**Renovation of wartime housing and The Now House**

The Now House⁹ (see Figure 9-2) is a retrofit of a post-war single-detached, 1½ storey home in Toronto which targets near-net zero annual energy consumption (see Figure 7-1 in Chapter 7).

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During the Second World War, the federal government established the committee on Post-War Reconstruction. In 1944 the committee released its final report entitled, “Housing and Community Planning”,9 which outlined Canada’s post-war housing and community planning needs. The report recommended the development of large-scale, low-cost rental housing to help house the estimated one-third of Canadians who were unable to afford ‘decent, safe and sanitary’10 market rental housing.

Despite successes in increasing wartime housing supply, it was recognised that some veterans and families would still be unable to find housing on the market within their means, and that government help would be required. In 1946 the government completed Benny Farm in Montréal, the first and one of the largest subsidized housing developments in Canada, with 384 units in several low-rise, walk-up apartment buildings for young families on an 18-acre site (see Figure 9-3).11

It was in this environment that the NHA was amended and the Central Mortgage and Housing Corporation was incorporated on January 1, 1946 (the name was changed to Canada Mortgage and Housing Corporation in 1979) to lead the nation’s housing programs in the new era. At the same time, the existing stock of some 46,000 rental units for war workers and veterans that had been built by Wartime Housing Limited was transferred to CMHC.

In this period, Regent Park was the first purpose-built public housing project created in Canada. The 69-acre site in the eastern part of downtown Toronto includes Regent Park North (built in 1947)12 and Regent Park South (built in 1954). Over 2,000 units of walk-up apartments and row houses were built for lower-income households (see Figure 9-4).

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9 This came to be known as the Curtis Report.

10 The NHA defines “low-rental housing project” as a housing project undertaken to provide decent, safe and sanitary housing accommodation. Likewise, “family housing unit” means a unit providing therein living, sleeping, eating, food preparation and sanitary facilities for one family. At the time, overcrowding and unsafe and unsanitary living conditions were common, especially in urban centres.


12 Regent Park North pre-dated the Public Housing Program created in 1949 under what is now Section 79 of the NHA.
Low rental housing programs

CMHC’s low rental housing programs, which began in the mid-1940s, were initially designed to encourage investment by the private sector (particularly larger homebuilders) to promote new rental home construction and stimulate the economy. Private entrepreneurs were provided with long-term mortgages at favourable rates for the construction of housing for low- to moderate-income households. Under a joint lending program, CMHC provided partial guarantees to lending institutions that the mortgages would be repaid. Under a rental guarantee program, CMHC provided a minimum-revenue guarantee to builders. Under a limited-dividend program, dividends to shareholders of the builders were limited to 5%. As long-term agreement obligations were completed, builders were no longer obliged to maintain the housing units at affordable rates for low-income tenants.

In 1964, changes encouraged non-profit groups to begin, what has become, their long involvement in helping to create housing for those of lower or modest income. Many of these non-profit, cultural, faith and community organizations have followed through on their commitment and continue to provide social housing long after their obligation to participate ended. Later, when the Rent Supplement Program was introduced in the early 1970s, agreements were also entered into with Limited Dividend owners that provided additional subsidies for some of the units (e.g., a rent-geared-to-income (RGI) subsidy for approximately a quarter of the units), further increasing affordability.

1949-1972: Community building

By the end of the 1940s, economic stimulus measures to increase construction of market housing and promote home ownership to meet the demands of returning veterans and their families had been successful. Annual housing starts reached 90,000 compared to an average of 50,000 in the first half of the decade, and three times the annual average of 30,000 in the 1930s. Nonetheless, there continued to be limited rental housing choices for lower-income households, leading to calls for new government initiatives.

Public housing

In 1949, the NHA was amended to provide for joint federal-provincial programs to construct publicly owned and P/T-managed housing for low-income families, persons with disabilities, and seniors.

Over the years, the federal government has supported public housing under several sections of the NHA jointly with P/Ts and municipalities (see text box Public Housing 1949 to 1985). Between 1949, when the Public Housing Program was introduced, and 1985, when new construction terminated, approximately 4,800 projects containing some 205,000 dwelling units were built under the program.

Federal housing policy also focused on improving the functioning of the private housing market (e.g., by providing mortgage loan insurance to make home ownership more accessible to Canadians and through ongoing research with the building industry, leading to advances in materials and construction techniques).

Throughout the 1950s, CMHC increasingly sought to involve P/Ts, municipalities and non-profit groups. This cooperation enabled the pooling of resources and expertise to address the housing needs of low-income households and to improve urban neighbourhoods.

Early non-profit co-operative housing

Housing co-operatives provide affordable housing that is managed democratically and owned in common by the residents without individual equity in the units and without capital gain for any member. Often co-operative housing charges are scaled based on the member’s ability to pay, with lower-income members paying less and moderate-income members paying more.
The Federal-P/T Public Housing Program, the first generation of the Public Housing Program, was established in 1949 through legislative amendments to the NHA. Under this program CMHC and the P/Ts entered into joint agreements for the construction or acquisition of public housing projects. Up-front costs and operating losses were shared by governments with a federal contribution of 75%. The P/Ts, in turn, could ask municipalities to help fund their 25% share. Rents were geared to income (RGI).  

While the federal government, through CMHC, was responsible for planning and designing public housing projects, the management and administration of the projects were usually taken on by the P/Ts, which often delegated day-to-day management to local housing authorities. Many of these housing authorities (for example, la Société d’habitation du Québec) continue to exist today.

In 1964, the federal government introduced further amendments to the NHA. The first amendment allowed CMHC to make long-term loans to P/Ts, municipalities or public housing agencies to build or acquire a public housing project. The loan was typically 90% of the approved project capital costs and amortized over 50 years with a modest fixed interest rate. Ownership of each project was retained by the P/T, municipality, or public housing agency that conceived it.

The second amendment allowed CMHC to cover 50% of the annual operating losses associated with public housing projects for up to 50 years. Projects under this program had rents that were based on the same RGI scale used in the 1949 Federal-P/T Public Housing Program.

In 1978, the loan and contribution public housing programs were discontinued, except in the Northwest Territories, where activity continued until 1983. At the same time, use of the Federal-P/T joint Public Housing Program was restricted to jurisdictions that had used it in the previous decade (i.e., Newfoundland & Labrador, Prince Edward Island, Nova Scotia, New Brunswick, Saskatchewan, and Northwest Territories). Nevertheless, many of the projects developed under these programs are still under administration as public housing projects.

In 1966, Willow Park Housing Co-operative (see Figure 9-5) opened in Winnipeg, Manitoba; it was the first permanent housing co-operative for families in Canada. The idea of a “continuing” housing co-operative was that a housing complex would be built by a co-operative association and would continue to be managed and maintained democratically by members of the co-operative. The housing complex was a townhouse design with a central courtyard which would become a common model for continuing co-operatives across Canada.

The early co-operatives also pioneered some of the features that became standard for other co-ops:

- The Willow Park Co-operative set up the first reserve fund for major repairs by adding a small sum to the monthly housing charges;
- The Abbotsford Co-op (1969) developed the first seniors’ co-operative; and

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The De Cosmos Village Co-operative in Vancouver established an internal subsidy structure for monthly payments with the higher-income residents paying a surcharge and the lower-income residents receiving a subsidy.\(^{15}\)

In order to encourage the development of housing co-operatives, in 1968 the Co-operative Housing Federation of Canada was founded as a joint initiative of the Canadian Labour Congress and the Co-operative Union of Canada (now the Canadian Co-operative Association) through the National Labour Co-operatives Committee.

These early beginnings were to lead to CMHC’s co-operative housing programs discussed later in this chapter.

**Urban renewal**

In the 1960s, the federal government provided grants to cities across Canada for urban renewal, to encourage them to tear down worn buildings and to build assisted housing.

In 1969, the local community, City of Vancouver, Government of British Columbia, and CMHC worked together to develop a plan for renovation and revitalization of the Gastown neighbourhood. The Strathcona Project (as it became known) was one of the first examples of citizen participation in housing project planning in Canada, becoming a model for future programs (see Figure 9-6).

**1973-1985: Expansion of social housing stock**

The continued expansion of public housing proved to be costly, since significant annual funding was needed to bridge the gap between the costs of operating public housing and the reduced rents paid by lower-income tenants.\(^{16}\) These increasing expenses, as well as growing criticisms of public housing projects (e.g., in regard to: social exclusion; persistence of the poverty cycle; crime; vandalism; and isolation of tenants from family, friends, employment, and key services—further disadvantaging assisted households) led to the introduction of mixed-income projects and the provision of funding to improve


and rehabilitate existing public housing. Urban renewal through demolition and replacement, gave way to neighbourhood regeneration through the use of programs targeting renovation, community services and infrastructure, and involving communities in the development.

Instead of large-scale government-owned public housing, new projects tended to be mixed-income and smaller scale, owned by community-based non-profit groups (e.g., faith groups, service clubs). Although start-up subsidies took many forms, the projects also benefitted from long-term subsidies from the federal and provincial governments. As discussed above, some of the units were co-operative housing.

**Rent Supplement Program**

The Rent Supplement Program, initiated in 1973, offers assistance to low-income tenants of selected private and non-profit rental buildings, reducing monthly rental charges based on a rent-geared-to-income approach. Under the federal-P/T social housing agreements of 1986, P/T governments could choose to administer the program if they contributed sufficient funds to increase the number of new units by 33%. Program costs were shared on a 50/50 basis between the federal government and the respective provincial government. This program provides increased flexibilities, including the option for housing providers to lease private rental units and sub-lease them to low-income tenants at reduced (subsidized) rates.

**Non-profit housing programs**

The CMHC Non-profit Housing Program, introduced in 1973, assisted non-profit or co-operative sponsors to construct or purchase projects that provide rental accommodation for low- and moderate-income families and individuals. Under the program, loans were made directly by CMHC for up to 100% of the agreed cost at preferred rates for up to 50 years. CMHC also made a capital contribution. In 1979, a revised non-profit program was introduced. Lending institutions provided the capital financing, and CMHC provided monthly subsidies to cover the difference between project costs and rental revenues based on an RGI approach. The non-profit housing programs focused on providing rental housing for mixed-income households.

The program was updated in 1986 and generally targeted to households in core housing need. For projects committed after 1985, a full operating subsidy is provided to cover the difference between operating costs and rental revenue. Contributions are provided for the life of the mortgage or up to 35 years. The program also assists households that have special housing needs. Residents pay rent according to an RGI approach.

Similar to the Rent Supplement Program, under the conditions of the 1986 federal-P/T social housing agreements, P/T governments were given the right to administer the Non-profit Program if they contributed enough funds to increase the total number of new units by 33%. There were about 236,000 social housing units created under the non-profit housing programs between 1973 and 1993, most under P/T administration.

The On-reserve Non-profit Rental Program was based on the same subsidy mechanism until 1997 (see text box Aboriginal housing programs).

**Co-operative housing programs**

- **1973-1979**

Although CMHC funded a number of earlier pilot projects, the federal government’s specific involvement in financing continuing co-operative housing formally began in 1973 with the introduction of the Co-operative Housing Program.

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17 Although it was created in 1970, it was not formally initiated until 1973 with NHA amendments in support of the Non-profit Housing Program and Co-operative Housing Program.

18 These programs are known as “Post-85, Section 95 programs”.

19 For the most part, the 1986 to 1993 program was delivered by P/Ts, except for Northwest Territories and Prince Edward Island.
The 1973 Co-operative Housing Program involved the provision of 100% financing by CMHC including up to 10% capital contributions to co-operative groups to construct, acquire or improve a housing project with the intention of providing housing to households who would occupy the units as non-owners. The loan was at a preferred rate with an extended mortgage amortization period of 50 years.

The first Co-operative Housing Program ran from 1973 to 1979 and there were about 7,700 co-op units created under this program.

### Aboriginal housing programs

In 1974, the CMHC Rural and Native Housing Program was launched to address the needs of rural low-income households (both Aboriginal and non-Aboriginal) living in off-reserve communities of fewer than 2,500 people. The program, which ended in 1993, provided options for home ownership, rental and lease to purchase. The client made payments under a long-term mortgage based on household income; the difference between the payment and the full cost of shelter was made up through government subsidies.\(^1\)

Increasing need for housing for Aboriginal families in cities led to the creation in 1982 of the Urban Native Non-Profit Housing Program. Earlier, as part of the 1978 Non-profit Housing Program, 400 units had been earmarked for urban Native non-profit housing groups. The assistance provided took the form of a monthly subsidy to permit low-income households to occupy some units in each mixed-income project on an RGI basis.

Most urban Aboriginal families could not afford the rents for the non-subsidized units, so in the early 1980s the program was amended to cover the full gap between the project operating costs and the rental revenues based on an RGI approach, thus permitting all the units in the project to be occupied by lower-income Aboriginal households.

Under the revised name "Urban Native Housing Program", the program was incorporated into the 1986 Urban Social Housing Strategy. Under the 1986 federal-P/T global housing agreements, those P/Ts which cost-shared the program also delivered and administered it.\(^2\)

The CMHC Non-profit Housing Program was delivered for the first time on-reserve in 1978, and provided assistance to construct, purchase, and rehabilitate affordable rental housing on-reserve.

CMHC continues to deliver the On-reserve Non-profit Rental Program and may provide direct loans for First Nations to construct, purchase and rehabilitate social housing projects. Under this program CMHC provides loans for up to 100% of the eligible capital cost of a project as well as ongoing federal subsidies for the life of agreements,\(^3\) which typically run for 25 years.\(^4\) The subsidies cover the difference between the sum of operating and financing costs, and RGI revenues.

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2. Urban Native projects with First Nations affiliations were retained by the federal government when the Social Housing Agreements were signed by P/Ts.
3. Annual funding supports the construction of an estimated 800 new homes, the renovation of some 1,000 existing houses and ongoing subsidy to over 29,000 households.
4. Some early agreements ran for 35 years.
1979-1985

Amendments to the NHA in 1978 facilitated modification of the program in 1979. As with the non-profit program, the revisions allowed mortgage financing to be provided by approved lenders at existing markets rates of interest and amortization periods of up to 35 years. Ongoing subsidies were provided for the duration of the agreement, typically 35 years.

1986-1993: Targeting assistance to those in need

Post-1985 co-operative and non-profit housing programs

In 1986, the third version of the CMHC co-operative housing programs was introduced, which ran from 1986 to 1993. The Federal Co-operative Housing Program (FCHP) provided insured financing and operating subsidies for 30 to 35 years to non-profit housing co-operatives funded with index-linked mortgages (i.e., a type of mortgage loan based on a floating rate tied to the Consumer Price Index). The FCHP is often called the ILM (Index-Linked Mortgage) program. Subsidies continued to be provided to bridge the gap between costs and estimated market-based revenues. The program introduced the innovative Co-operative Housing Stabilization Fund which provided a pool of funding for temporary extra financial assistance to ILM housing co-operatives. Today, there are more than 14,500 co-op units under this program. These projects also benefited from Rent Supplement, for 30 to 50% of units in a project. Households living in these units paid a housing charge based on their income (RGI). This post-1985 Rent Supplement Program was often cost-shared with P/Ts.

Projects committed after 1985 under the Non-profit Housing Program received a full operating subsidy to cover the difference between operating and financing costs and rental revenue for up to 35 years. From 1986, the program targeted households in core housing need, with residents paying according to an RGI approach. The program also assisted households with special housing needs (e.g., seniors, persons with disabilities).

A stock of good quality, non-profit social housing was created along with a community-based housing development sector. The level of government assistance grew as economic pressures increased the cost of supporting existing tenants in assisted housing.

Canada continues to support the development of co-operative housing. Canada recently supported a United Nations resolution declaring 2012 the UN International Year of Co-operatives.

Evolving government roles

The two largest changes in 1986 were the return to provincial delivery of social housing and the move away from mixed-income to targeted housing programs.

Until 1986, P/Ts were administering the joint public housing projects. As part of the 1986 Social Housing Strategy the federal government transferred the delivery of federal programs to P/Ts. New kinds of operating agreements outlined broad federal requirements for a range of programs, with P/Ts sharing at least 25% of the cost. However, the federal government maintained ongoing leadership in terms of policy, coordination and accountability. All but Prince Edward Island signed on to the post-1986 social housing agreements. Not all programs were taken up by P/Ts; for example, in some jurisdictions CMHC continued to deliver the Urban Native and Rural and Native Housing programs.

It was through these agreements that the concept of core housing need (see Chapter 6) was agreed to with P/Ts and estimates of core housing need were used to calculate program resource allocations. These federal-P/T agreements supported significant levels of social housing activity. Despite pressures to control public spending on social housing, annual new commitment activity remained strong through the late 1980s. The cost of subsidies to the federal government continued to rise because the costs to operate social housing projects rose faster than rents. As the 1990s progressed, successive federal budgets gradually reduced the growth rate of the social housing funding envelope, with new program delivery ending in 1993 as government began to shift away from ongoing long-term subsidies and toward an increase in up-front capital contributions, under what would later become the Affordable Housing Initiative.
1994-2000: Strengthened P/T role, streamlining administration and delivery

The Government of Canada announced in its 1996 Budget that it would offer P/Ts the opportunity to assume the management and delivery of existing off-reserve federally-funded social housing in order to clarify roles and responsibilities in housing. By the end of the 1990s, CMHC had negotiated agreements with six provinces and all three territories transferring the administration of more than half of the federally-administered social housing portfolio (see text box Social Housing Agreements). As a result, about 80% of the existing social housing stock is now administered by the P/Ts under the Social Housing Agreements. Housing owned and operated by First Nations on-reserve was not affected by the Social Housing Agreements, and in some jurisdictions, CMHC retained the federally-funded co-operative housing portfolio.

Over time, P/Ts have developed greater capacity for the design and delivery of housing programs, and bilateral agreements have provided them with increasing flexibility as to how these are designed and delivered.

2001-2011: Affordable housing and new investments in housing

The Affordable Housing Initiative

The Affordable Housing Initiative (AHI) was introduced by the federal government in 2001 to create new affordable housing units via up-front capital contributions, rather than ongoing subsidies. The total multi-year funding provided was $680 million. Additional multi-year funding was provided in 2003 ($320 million). Bilateral agreements require that rental units produced have rents at prices at or below median market rent. Through these agreements, the P/Ts match federal investment (sometimes with contributions from other parties; i.e., municipalities, private sector, or non-profit sector).

P/T governments, through their housing agencies, design the programs and establish priorities, which may relate to special needs groups (e.g., seniors or off-reserve Aboriginal people). The housing agencies deliver and administer the programs by working with non-profit and co-operative groups and developers. Households must qualify for social housing waiting lists, and units must remain affordable for 10 years.

Social Housing Agreements

Starting in 1996, under the Social Housing Agreements, CMHC transferred to each agreeing P/T control of the management and administration of all off-reserve social housing programs in that jurisdiction, including both unilateral federal programs and cost-shared federal-P/T programs. The P/T took responsibility for all financial aspects and other obligations related to these programs (e.g., project operating agreements with third parties). In return, CMHC agreed to provide the P/T with fixed amounts of funding each year until the funding expiration date set out in the agreement.

The P/T may carry over unused CMHC funding from year to year, but not beyond the Funding Expiration Date. However, all funding provided under the agreement must be applied towards the cost of programs for which the P/T assumed responsibility, or for new housing programs that meet the terms of the agreement.

The P/T must provide CMHC annually with an audited statement of funding and expenditures and a performance report. Evaluations of each program to which funding is applied must be provided every five years.

Alberta, Quebec and Prince Edward Island did not enter into Social Housing Agreements; therefore, unilateral federal social housing programs (including co-operative housing programs) in those jurisdictions are still federally administered. In addition, federal co-operative housing programs in British Columbia and Ontario are also federally administered since they were not included in the Social Housing Agreements with those provinces.
CMHC’s Affordable Housing Centre provides guidance and resources to help non-profit and private sector groups in the development of affordable housing projects (see text box CMHC Affordable Housing Centre).

2006: Affordable housing trusts

The 2006 Federal Budget provided one-time funding to provinces and territories for support in several areas, including affordable housing. This investment included:

- Affordable Housing Trust: $800 million to help address short-term pressures with regard to the supply of affordable housing. Funding was notionally allocated over three years (2006-07 to 2008-09) on an equal per capita basis among provinces and territories.

- Northern Housing Trust: $300 million to help meet short-term pressures with regard to the supply of affordable housing in the North. Funding was notionally allocated over three years (2006-07 to 2008-09) among the three territories as follows: $50 million each for Yukon, the Northwest Territories and Nunavut, plus an additional $150 million for urgent needs in Nunavut.

- Off-Reserve Aboriginal Housing Trust: $300 million to help provinces address short-term housing needs for Aboriginal Canadians living off-reserve. Funding was notionally allocated over three years (2006-07 to 2008-09) among provinces based on the provincial share of the Aboriginal population living off-reserve.

2009-2014: Affordable housing investments

In September 2008, the Government of Canada committed to a five-year investment of more than $1.9 billion in housing and homelessness to address the needs of low-

In addition to federal and P/T initiatives, CMHC is supporting and encouraging the creation of affordable housing by offering a wide range of products, services and programs to help non-profit and private sector groups develop affordable housing without ongoing subsidies. CMHC’s Affordable Housing Centre has a team of experts that offers a broad range of expertise and experience in affordable housing. This team works with groups and individuals in order to connect them with the resources, knowledge and contacts needed for their affordable housing proposals to become a reality.

This guidance helps to clarify and navigate the financial, technical, operational and social issues involved in developing affordable housing. CMHC also provides financial assistance to support activities carried out in the very early stages of developing an affordable housing project through Seed Funding and Proposal Development Funding. Since its inception in 1991 (under the name Canadian Centre for Public-Private Partnerships in Housing) the CMHC Affordable Housing Centre has facilitated some 56,000 affordable housing units (see Figure 9-7).

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1 Further information is available on www.cmhc-schl.gc.ca/en/inpr/afhoce/.

20 2009/10 to 2013/14 fiscal years.
income Canadians, those at risk of homelessness, and the homeless (see text box Related federal programs administered by Human Resources and Skills Development Canada). A two-year renewal of the Affordable Housing Initiative (AHI) and renovation programs until March 31, 2011 was entered into with each participating P/T in 2009. The government also committed to review the use of the investments for the 2011-2014 period.

In the fall of 2009, P/T governments, municipalities, and public and private stakeholders were consulted on how best to use federal funding from 2011 to 2014. As a result of these discussions, in July 2011 federal, provincial and territorial ministers responsible for housing announced a $1.4 billion combined investment toward reducing the number of Canadians in housing need under a new Investment in Affordable Housing 2011-2014 Framework Agreement.

The resultant Framework provides the P/Ts with greater flexibility in the use of federal funding, which they fully cost-match. P/Ts have the flexibility to invest in a range of housing solutions to increase the supply of affordable housing, improve housing affordability, improve and preserve the quality of affordable housing, and foster safe and independent living. P/Ts have the choice to maintain existing programs and/or introduce new initiatives to meet local needs and priorities. Initiatives under the Framework can include new construction, renovation, home ownership assistance, rent supplements, shelter allowances, and accommodations for victims of family violence. Contributions by other local parties, including the private and not-for-profit sectors, are also encouraged.

**Related federal programs administered by Human Resources and Skills Development Canada**

**National Homelessness Initiative**

The National Homelessness Initiative (NHI) was launched in December 2000 with federal funding of $753 million initially over three years, with periodic extensions until the program was updated in 2007. The program was intended to enhance community capacity to address local homelessness issues, foster investments in facilities and services for homeless people and increase knowledge about homelessness in Canada.

NHI offered a combination of new community-based programming and enhancements to existing programs, including additional funding for existing CMHC renovation programs for low-income persons, including the homeless and those at risk of homelessness.

**Homelessness Partnering Strategy**

The Homelessness Partnering Strategy (HPS) was introduced on April 1, 2007. Building on the successes of the NHI’s community-based approach, the HPS enhanced the federal government’s homelessness strategy and shifted to a housing-first approach,1 emphasizing that the first step is to provide individuals with transitional and supportive housing. This model seeks to address homelessness by working together with the provinces and territories, across federal departments, as well as with communities and the private and non-profit sectors.

A progression of support steps may be needed to help a person who is homeless. It may start with making appropriate supportive services available to people in difficulty, whether on the street or at risk of homelessness. It may be necessary to provide accommodation and assistance in emergency shelters. The goal is to provide homeless persons access to transitional housing, to permanent housing and independence. The HPS has been renewed until March 31, 2014.2

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2 For more information on the Government of Canada’s Homelessness Partnering Strategy, see: www.hrsdc.gc.ca/homelessness.
Housing stimulus measures in the January 2009 federal budget

Canada’s Economic Action Plan (CEAP), a two-year investment announced in 2009, included a number of housing-related measures intended to create employment through timely and targeted investments to build new, and renovate existing, social housing and fund housing-related infrastructure:

■ $1 billion to renovate and energy retrofit existing social housing off-reserve. Of this $1 billion, $850 million is delivered by P/Ts on a 50/50 cost-shared basis under the Affordable Housing Initiative for existing social housing projects within joint federal-P/T programs they administer. The other $150 million is for off-reserve social housing projects across the country in programs unilaterally funded and administered by CMHC.

■ $400 million for new housing for low-income seniors and $75 million for new housing for persons with disabilities, to be cost-matched and delivered by P/Ts.

■ $200 million to support the renovation and the construction of new housing units in the North, to be delivered by the territorial governments.

■ $400 million for new housing and repairs to existing social housing on-reserve.21

■ Up to $2 billion in direct low-cost loans to municipalities, for housing-related infrastructure projects in towns and cities across the country.

Continued evolution

Revitalization of affordable and social housing

The regeneration and redevelopment of existing affordable and social housing implies major changes in housing projects to renew lost vitality and offset economic decline, social and economic change and physical and environmental deterioration. Redevelopment of social and affordable housing in Canada has varied in scale and taken many different forms. The methods used to plan, implement and finance the projects have also varied, and have resulted in a wide range of positive outcomes and lessons learned.

Regeneration and redevelopment have included the following drivers:

■ Deteriorated physical condition of the buildings and outdated design or layout;

■ Concerns about social conditions or problems in existing social housing;

■ Changing needs of existing tenants or those on waiting lists;

■ Addressing financial viability issues; and

■ Providing opportunities to increase urban densification efforts.

Regeneration represents a broad planning response to these problems, seeking to promote greater prosperity, wider social inclusion, and an enhanced quality of life for local communities. A key part of revitalization strategies is typically to produce more socially- and income-mixed communities through the addition of market rental or condominium housing, thereby increasing the social integration of the sites within the surrounding neighbourhoods. This strategy is generally pursued through a public-private collaborative model that leverages private financing using the considerable asset value of the sites to offset the public costs of redevelopment. The model is particularly applicable to larger sites in prime locations of major cities where there are opportunities to increase density, while also adding private market housing. Projects may also involve financial assistance under programs funded by federal, P/T, or municipal governments.22

The following are just a few examples of the types of initiatives that are being undertaken across Canada to improve and expand housing options for low- and modest-income Canadians who would otherwise not be able to afford the costs of housing.

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21 These amounts are in addition to the $1.9 billion over five years announced in September 2008 for housing and homelessness programs.

22 For example, through Canada’s Economic Action Plan.
Regent Park revitalization

Toronto’s Regent Park is an example of large scale revitalization and regeneration of public housing. As discussed above, Regent Park is one of the oldest publicly-funded housing communities in Canada and is home to 7,500 people living in over 2,000 social housing units. The thinking at the time was to create a “garden city”—a place where buildings sit in park-like settings, streets are removed and the community is set apart from the remainder of the city.

In the past several years, however, Regent Park has come to be known for its deteriorating buildings, problematic public spaces and concentration of the some of the ills of urban life: violence, drug use, poor health and educational outcomes and a general lack of opportunity.

Regent Park is arguably one of Toronto’s most vulnerable and marginalized neighbourhoods. It is culturally diverse, with more than half of its population being immigrants. Over 50% of the population living in Regent Park are children 18 years of age and younger (compared to a Toronto-wide average of 30%). The average income for Regent Park residents is approximately half the average for other Torontonians. A majority of families in Regent Park are classified as low-income, with 68% of the population living below Statistics Canada’s Low-Income Cut-Off in one of its census tracts, and 76% in the other (compared to a Toronto-wide average of just over 20%).

Over a period of 15 years, the Toronto Community Housing Corporation, which owns and manages Regent Park is demolishing and re-building the entire community in 6 phases (see Figure 9-8). As a whole, the community will grow to 5,000 units of mixed housing, including rent-geared-to-income social housing units, market rentals, privately owned condominiums and some affordable home ownership units. The redevelopment plan seeks to achieve the following:

a) Create social mix;

b) Promote positive social interaction (using innovative architectural and urban designs); and

c) Create affordable home ownership for a subset of residents.

A longitudinal study is underway to investigate the effects of the Regent Park redevelopment on the health and well-being of residents. The first study of its kind in Canada, it will examine how interventions in the built environment may reduce health inequalities and improve the lives of low-income, urban populations.

Benny Farm

Beginning in 1997, Canada Lands Company (CLC) and CMHC redeveloped the Benny Farm site in order to regenerate and expand it from 384 to about 570 new and refurbished affordable housing units (see Figure 9-9).
In 1999, CMHC transferred ownership of the site to CLC. Following extensive consultations, a revised plan was approved by the City of Montréal in 2004 and CLC began the redevelopment work in 2005. Benny Farm required major renovations to about 35% of the existing housing plus demolition and reconstruction of housing on the rest of the site by non-profit, co-operative and private developers. In 2008, Benny Farm was sold by CLC to the City of Montréal housing agency which administers all public housing in the city, and a final phase of regeneration and redevelopment work was undertaken and completed by 2010.

Today there are 797 housing units: 237 units for veterans, 228 social (non-profit and co-operative) housing units, and 332 ownership (condo) units for moderate income and first-time buyers (some with financial assistance from municipal/provincial programs).

City of Toronto Tower Renewal

Announced in September 2008, Tower Renewal is an initiative by the City of Toronto aimed at upgrading and greening the City’s concrete slab high-rise apartment buildings (see Figure 9-10). Since they were built in the 1960s and 1970s, the units tend to be larger than apartments built today and can house larger households. The initiative aims to reduce energy use and greenhouse gas emissions while also revitalizing the surrounding neighbourhoods and preserving or creating additional affordable housing.

Some of these buildings provide social housing, managed by the Toronto Community Housing Corporation.

Extensive studies were conducted at four pilot sites, including water consumption audits, resource conservation measures, waste diversion strategies, safety audits, walkability studies, transportation needs, tree canopy studies, inventories of on-site common spaces and assessments of job creation opportunities. Overall, the findings revealed that comprehensive Tower Renewal projects were good investments and would pay for themselves over time with reduced utility costs, lower maintenance requirements and improved property values. Significant benefits would accrue to all stakeholders, including property owners, residents, the broader community and the environment. The studies also identified financial, regulatory and physical infrastructure challenges to be addressed in order to implement Tower Renewal city-wide.

The results from the studies were incorporated into a strategy for a city-wide roll-out over a 20-year period beginning in 2011.

The way forward

P/Ts are taking a lead role in housing program design and delivery. Many jurisdictions are developing comprehensive approaches to address housing needs as part of larger poverty reduction strategies. There is also increased involvement of the non-profit, voluntary and private sectors in developing and redeveloping housing through community support approaches that are designed to have long-lasting benefits.

Through the past 65 years, the housing needs of Canadians have evolved, as have the roles of federal, P/T, municipal and community partners. In all jurisdictions, it is becoming increasingly clear that the most successful housing interventions are those approaches which are coordinated with other social supports to address specific or persistent client and community needs, and which involve local participation.

FIGURE 9-10

Scarlett Road Apartment Towers, Toronto

Credit: Jesse Colin Jackson

23 See www.towerrenewal.ca for more information.