

SPEAKING NOTES
HONOURABLE YVONNE FRITZ
MINISTER OF HOUSING AND URBAN AFFAIRS

PLANNING FOR CHANGE, PARTNERING FOR SUCCESS
LUNCHEON
CALGARY CHAMBER OF COMMERCE

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100, 6 AVENUE S.W.
CALGARY

TUESDAY, JUNE 10, 2008

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SPEAKING NOTES

[INTRODUCTION]

- Thank you, (Brian or Heather) for that introduction.
- Allow me to do a few introductions of my own.
- With me today is my Deputy Minister Marcia Nelson...the Director for Housing Services South John Martin...and my Executive Assistant Tim Morrison.
- I'm really honoured to be here...and enjoyed meeting with the executive members from the Chamber prior to the luncheon.
- We talked about your hard work on finding solutions to issues facing Calgary and the rest of Alberta.
- Your volunteers and staff do a great job and I want to personally thank you for your efforts.
- I am excited to see that we are both committed to planning for change and partnering for success.

[ABOUT HOUSING and URBAN AFFAIRS]

- My colleagues and I have been working very hard over the past few weeks...as you may have heard already from Minister Renner...who I believe spoke to you just last week.
- And I have been especially busy seeing as how Housing and Urban Affairs is a new ministry.
- Establishing this ministry to focus on Alberta's affordable housing needs is great news for the people and organizations involved this area.
- It's the first time there has been a housing ministry in about 20 or 25 years.
- This is a very clear indication on how serious Premier Stelmach is about dealing with the housing and homeless issues in Alberta.
- And he knows how important community leadership is on this issue.

- In fact, under the Premier's mandate, we're moving ahead in the development and implementation of our 10-year plan to end homelessness in Alberta.
- This plan includes support programs like:
 - rent supplements
 - capital funding to build social housing
 - actions that will increase the supply of affordable housing
 - and, initiatives that address homelessness.
- But, I also want to talk about what is happening right here in Calgary, at the community level.
- Because, while we provide policy direction and much of the affordable housing funding...it is the community that designs and delivers the programs, initiatives, projects and services.
- City Council, non-profit organizations and community leaders - like the Chamber - are closest to local housing needs, and can best identify solutions to address them.
- In fact, Alberta's whole approach to housing is to support local, community-based planning and action.

- Housing and homelessness are complex issues...and we know it will take strong partnerships among municipalities, non-profits, private developers and community leaders to address them.
- That is why I believe it is important for me to come and meet with you today.
- This is a great opportunity for me to listen to your ideas, actions concerns in helping address our affordable housing and homelessness issues.
- And, I want to share with you what the Alberta government is doing to be an effective planner and partner.
- I also want to discuss the Urban Affairs portion of my portfolio with you...and some of the other impacts of rapid population growth on Calgary.

[CHALLENGES]

- For the past few years, Alberta's and Calgary's economy has been the envy of Canada.

- The economic pendulum is definitely swinging west.
- For example, the construction industry has grown considerably... with Calgary announcing a record \$5.8 billion of construction in the city in 2007...the seventh consecutive year of growth.
- It is really exciting to see all the action going on here.
- But, fast-paced economic activity has come with a new set of challenges we need to address.
- One of which is the pressures put on companies, governments and non-profits to find skilled staff and volunteers.
- As business people and employers, you know better than anyone how tight the workforce situation has been over the past few years, in every sector...from medical doctors to kitchen staff.
- The prospect of well-paying jobs is a magnet to people from around the world...and your Chamber, the city and the province have been working to attract workers from around the world.
- And, it is not just Calgary...the whole province is feeling the impact of population growth.

- Combined with our economic growth...it has created significant challenges in the real estate and rental markets in Calgary...and right across Alberta.
- It's what your recent land development report called “***demand shock.***”
- People arriving in Calgary for work with no place to stay and no way to pay until they get a job have added to the homeless situation.
- It really concerns me that hard-working people of all ages have trouble finding a place to live...and often have to resort to living in shelters...couch-surfing...or even living in their cars.
- Certainly we can do a better job of making sure people have a safe, secure place to live when they arrive in Alberta to work.
- And national media coverage of Alberta's housing problems does not help our efforts to attract the workers we need.
- So, when I read the Calgary Herald a couple weeks ago and read that construction is easing a bit...I thought that might not be such a bad thing.

- There will be at least 7,000 new condos coming on the market and plenty of re-sale listings as well.
- The Royal Bank is indicating that Canada's housing boom is over...and we are seeing lower prices in Calgary's real estate market.
- And, I am told we are also starting to see slightly higher vacancy rates.
- In April, the Canada Mortgage and Housing Corporation reported an increase in the city's rental vacancy rate to 2 per cent...this can be partly attributed to a drop in migration.
- That should help balance the rental market a bit, making some places more affordable.
- But, affordability and supply will remain issues for lower income people in Calgary and right across Alberta.
- The housing impacts of more than a decade of economic and population growth are not addressed overnight.

- And, in the meantime, Saskatchewan and Newfoundland are booming as well.
- These two provinces used to be a great source of skilled workers for Alberta.
- Now, they are competing with Alberta for workers.
- Saskatchewan Premier Wall was very clear about that when he was in Calgary last month looking for a stronger Alberta-Saskatchewan alliance.
- The latest House Price Survey by Royal LePage Real Estate Services talks about how Saskatchewan jobs...“have retained many would-be out-migrants, and the more moderate cost of living has also lured skilled workers from Alberta.”
- In Alberta, the need to address housing and homelessness has NEVER affected business so directly!

[PLANNING FOR CHANGE]

- Calgary and Alberta are responding to the challenge with clear plans for action.

- The City of Calgary came out with its Affordable Housing Development Action Plan...that builds on the city's 2002 Affordable Housing Strategy.
- The plan confirms the city's role as a facilitator...partnership-builder...and the primary local affordable housing administrator.
- The City also sees itself as a limited investor...whose main contribution is the value of the land...while it looks to the province and federal government for most of the funding.
- The Calgary Homeless Foundation responded by developing a 10-year plan...not only to address homelessness in the city...but also to ultimately end it.
- This plan is based on proven models in U.S. cities like Portland and Denver.
- And it includes transitional housing with health and social supports...and recommends increasing the supply of affordable housing.
- Both of these local plans are inline with provincial planning.

- Alberta's provincial plans for housing and homelessness took on a new and focused direction last year in response to the Alberta Affordable Housing Task Force report.
- We are committed to end homelessness...with increased support for shelters...and for the kind of transitional housing that the Calgary Homeless Foundation recommends in its 10-year plan.
- We also established the Alberta Secretariat for Action on Homelessness,...which is now developing a 10-year **provincial** plan to end homelessness.
- We created programs and provided significant new funding to make existing housing more affordable.
- Last year, we added the new Direct Rent Supplement Program...which is helping more Albertans keep their rents at about 30 per cent of their income.
- This year, funding for rent supplements is up 40 per cent...to \$58 million.

- And the Homeless and Eviction Prevention Fund provides emergency help to people at risk of becoming homeless...because of arrears in their rent...or they can't afford the cost of moving.
- This year, the Homeless and Eviction Prevention Fund has a budget of \$44 million.
- Calgary is receiving just over \$49 million this year for its share of social housing... rent supplements...special needs housing...and homeless supports - including shelters and transitional housing.
- Both the Homeless Foundation's 10-year plan and the City's Affordable Housing Development Action Plan call for more housing units as part of their solution.
- The Province is responding...with a five-year plan to create more than 11,000 additional affordable housing units by 2012.
- Last year, we targeted \$279 million in capital funding to create 2,100 new units

- Calgary received \$63 million of that funding, and used it to build new units...to buy or renovate existing units... support transitional housing...and provide rent supplements.
- For example, the new Louise Station development will mix market housing with 88 affordable housing units Calgary's downtown core...and is partly funded with \$12 million in provincial capital dollars.
- In the 2008/09 budget, we committed \$309 million to create another 2,200 units across the province.
- Block funding is part of that commitment.
- Calgary is receiving almost \$48 million (47.9) in block funding for additional affordable housing and municipal rent supplements.
- In addition, we also allocated \$142 million in capital funding for affordable housing through an RFP process...which is more than double what was available last year.

- As part of a plan to build broader partnerships, we opened the RFP funding to also to non-profit organizations, private developers...and **ALL** municipalities.
- This means the City of Calgary can apply for this funding as well.
- Some Chamber members involved in housing development...or who serve on non-profit boards...can now submit their OWN affordable housing proposal...and if approved, can receive up to 70 per cent of the total cost.
- And, I strongly encourage organizations to do so.
- We are looking for more partners and innovative ideas to help meet Calgary's and Alberta's affordable housing needs.

[PARTNERING FOR SUCCESS]

- In fact, this is a very important message I want to bring to your today.

- One thing all the housing plans have in common at every level...non-profit...city or provincial...is that a commitment to partnership is **VITAL** to success.
- The Calgary Housing Company is wholly owned by the City of Calgary...and it administers over 9,000 units of provincially-owned social housing and rent supplement units.
- The Calgary Housing Company also offers one-stop access for people applying for provincial rent supplements.
- It is a vital to the ongoing operation and success of Calgary's affordable housing initiatives.
- We see partnerships in meeting the needs of the homeless...and many partnerships go beyond providing shelter space.
- The Mustard Seed used provincial funding to open the Foothills shelter in an industrial area where some homeless people are finding work.

- The Rapid Exit—Housing Families program is a Calgary Urban Project Society initiative that helps homeless families gain and retain housing.
- Workers recruit and retain landlords who are willing to rent units at fair market value to chronically homeless families.
- The Calgary Homeless Foundation's 10-year plan proposes to move more people through the *Pathways to Housing* initiative.
- This is another partnership effort, with provincial funding...and the support of social workers, health care providers and community support.
- *Pathways to Housing* places chronically homeless people into housing first, and then provides access to support services to overcome addictions and build life skills.
- To date, 17 chronically homeless people who have been on the streets from four to eight years have been placed in permanent, safe housing.
- The cost per *Pathways* client is about \$30,000 per year, including housing and support services.

- That same person would cost \$95,000 year before being placed into *Pathways*...most of this was for health care and shelter costs.
- So, we can not only help make a real difference in some people's lives...but we can also do it in a way that make financial sense.
- On the lower income rental side of housing, the Kanas Shelter Corporation...a private development company...is helping the environment while it helps lower income Calgarians.
- Kanas built Alberta's first Energuide-rated, multi-family building in downtown Calgary.
- Solar panels, in-floor heating, water saving devices and triple glazed windows are lowering operating costs.
- Partnerships remain important.

[CHAMBER REPORT]

- And I know that the Chamber is committed to helping with this issue.

- I read the joint Chamber/Alberta Real Estate Board report released last month on affordable housing in Calgary.
- And, many of its recommendations encourage further partnership...between the city and province...between the city and industry...between development and transit...and between city planners and city council.
- I am very pleased to see the report make the recommendation that affordability be added as a principle to the city's list of "smart growth sustainability principles" for making municipal land development decisions.
- Because your report is specific to municipal policy....most of the recommendations fall within the city's areas of responsibility.
- Your report promotes innovation in design and materials.
- I commend you for doing such a fine job.
- The information in the report is valuable.
- In fact, I found one recommendation directed specifically at the province very interesting, and I quote, that—

“the province...in collaboration with the Calgary Regional Partnership...develops a binding regional growth management and governance framework that encourages sustainable and affordable regional development...and is consistent with the City of Calgary’s sustainability principles.”

- That recommendation would seem to be tailor-made to coordinate with Alberta’s new draft Land Use Framework.
- While the land use framework establishes six land management regions based on the province’s major watersheds....Alberta recognizes that the Calgary and Edmonton metropolitan areas need a more detailed planning approach.
- The Calgary Regional Plan is already under development...and will consider such factors as a transportation and utility plan...key infrastructure like roads and water and sewer systems...and limiting growth where the environment is sensitive.
- The City of Calgary also is on the Regional Advisory Council for the Southern Alberta Regional Plan.

- The Regional Advisory Council will develop a strategy to manage such competing interests as industrial development and recreational use...all of which have an impact on Calgary.
- All Regional Advisory Councils will include industry...non-government and aboriginal representatives...and other relevant planning bodies...to ensure the approach taken looks at all the impacts on the land.
- As well...the City will need to coordinate its response to your recommendations on its land management policies...with the requirements of the draft Land Use Framework.
- I made a commitment to make more public land available for affordable housing.
- Decisions on where and how land will be made available will have to consider the overall impact on and competing demands for that land.
- This is taking planning for change and partnering for success to a new level of involvement...for a more livable Alberta in the future...exactly the outcome the Chamber is looking for.

- So I am pleased to see the Calgary Chamber step up with a report and recommendations that can make a real difference.

[CONCLUSION]

- Housing is more than a social issue.
- You know first-hand it is also an economic and human resource issue.
- Housing is part of what it takes to attract and retain quality employees.
- So is quality of life...access to green spaces...providing adequate water...and taking a long-term view of industrial development for our shared prosperity.
- I encourage you to continue to represent your needs and your views to the City and the province and to consider the housing options you can support as business people and as members of the Calgary community.
- Help us build those 11,000 affordable housing units.

- Help us use the land responsibly to meet our needs now, and our grandchildren's needs in the future.
- My colleagues and I are pleased to be your partners in planning, and in success.
- Thank you.