

TASK FORCE ON LOW INCOME HOUSING.

WORKING PAPER Nº 3

alberta:
an institutional analysis.

central mortgage and housing corporation

1971

TASK FORCE ON LOW INCOME HOUSING

WORKING PAPER NO. 3

ALBERTA:

AN INSTITUTIONAL ANALYSIS.

DIRECTOR OF INSTITUTIONAL RESEARCH:

SUSAN A. FISH

PRIMARY RESEARCHER:

LOIS PIKE.

CENTRAL MORTGAGE AND HOUSING CORPORATION.

TABLE OF CONTENTS

Chapter I - Introduction

Chapter II - Structural Analysis

A - Federal

B - Provincial

B-1 The Credit Union and Co-operative
Activities Office.

B-2 The Department of Health and Social
Development.

B-3 The Department of Municipal Affairs

B-4 Alberta Housing Corporation.

C - Municipal

C-1 City Council (Edmonton, Calgary)

C-2 Municipal Housing Departments

C-2-a Edmonton Community Housing Organization

C-2-b Calgary Housing and Urban Renewal
Department

C-3 Edmonton Municipal Planning Commission

C-4 Local Housing Authorities

C-5 Local Foundations

D - Private Sector

D-1 Edmonton

D-2 Calgary

E - Community Organizations

E-1 Edmonton Citizens for Better Housing

E-2 Calgary: No Other Way (N.O.W.)

Chapter III - Policy Analysis.

Chapter IV - Programme Analysis

A - Public Housing

A-1 Planning and Building

A-1-a Edmonton

A-1-a-1 Background

A-1-a-2 Role of CMHC in Planning

A-1-a-3 Municipal Planning - Policies

A-1-a-4 Land for Public Housing

A-1-a-5 Building Process

A-1-a-6 Neighbourhood Reaction to Public Housing.

A-1-b Calgary

A-1-b-1 Background

A-1-b-2 Land for Public Housing

A-1-b-3 Building Process

A-1-b-4 Neighbourhood Reaction to Public Housing

A-2 Operating

A-2-a Provincial Position on Tenants' Associations

A-2-b CMHC Branch Office Position on Tenants' Associations

A-2-c Municipal Position on Tenants' Associations

A-2-d Edmonton - L.H.A.

A-2-e Calgary - L.H.A.

B - Section 16 - Limited Dividend

B-1 Planning (Procedure) and Building

B-2 Advantages and Disadvantages

B-3 Operating (Two Case Histories)

B-3-a Creston Place

B-3-b Gladner Developments

B-4 Recommendations

C - Section 16 - Non-Profit

C-1 The Branch

C-2 The Province and the City

D - Assisted Home Ownership and Low-Cost Housing

D-1 The \$200 Million Programme in Edmonton

D-2 Evaluation of the \$200 Million Programme
in Edmonton and Calgary

D-3 Future of A.H.O. and Low Cost Housing in
Alberta

E - Land Development and Planning

E-1 Background

E-2 Land Assembly Project (Edmonton-Millwoods)

E-3 Planning

F - Northern Housing

G - Co-operative Housing

G-1 Provincial Position

G-2 Sturgeon Valley Co-operative (Edmonton)

G-3 Calgary Housing Co-operative Association

H - Housing Welfare Families

I - Miscellaneous

I-1 City Owned Scattered Units (Low Rent)

I-2 Housing Transients and Singles

I-3 Alternatives for the Elderly

I-4 Rehabilitation

I-5 Rent Supplement and Rent Control

I-6 Municipal Finance

I-7 Public Housing (Alternatives)

Chapter V - Recommendations and Future Trends.

INTRODUCTION

This report is based on a case study of the City of Edmonton, Alberta. The delivery system in Calgary has also been studied, but at a more superficial level. Chapter II provides a description and analysis of the structures which are involved in the delivery of low-income housing.

In Chapter III, the policies of these various structures will be analyzed and in Chapter IV, the various programmes will be discussed in depth with reference to the planning, building and operating aspects. The report will be concluded with a chapter on Future Policy Trends. Recommendations concerning structure, policies and programmes will be found throughout the body of the report, and will be summarized in the last chapter.

In each chapter, the particular subject will be analyzed in terms of its formal or theoretical nature, and in terms of the informal aspects, i.e. actual practice.

Methodology

The research method used consisted of an analysis of CMHC files, of the reports and charts of the various institutions discussed, of relevant articles in the provincial newspapers, and of unstructured interviews conducted by members of the Task Force.

Chapter I - Introduction

In 1969, Alberta's population was 1,547,000 or 7.34% of Canada's total population. Its population has been growing steadily, 16% per 5 year period since 1951, and in the past few years, Calgary and Edmonton have rated as the second and third fastest growing cities in Canada. Two-thirds of the province's people live in urban centres, half of these in Calgary and Edmonton.¹ The population is somewhat younger than the national average.

Alberta is by far the wealthiest of the three prairie provinces. It has the highest per capita personal disposal income in Canada, and the average family income is \$1000 higher than the Prairie average.² 24.7% of its families earn under \$4000/year.³ The amount of CMHC funds that the province received almost doubled in 1970 from those received the previous year (5.2% to 8.4%) as did CMHC funds in the country as a whole.⁴ Although the economy suffered a slowdown in 1970, it now appears to be gaining strength and the boom may be on again.

There is a shortage of adequate housing. Land and houses are expensive and rents are high.

-
1. CMHC Economic Report on Alberta, 1968.
 2. IBID
 3. DBS Cat. No. 13-534, Table 2, 1969.
 4. C.H.S., 1970, Pg. 39, Table 44

Chapter II - Structural Analysis

Five structures have been identified as playing a role in the planning, building, and operating of low-income housing. These are the three levels of government - federal, provincial, municipal; the private sector and the community.

Of the five, in Alberta, the 'community' has the least influence. The interplay between the other four structures however has major bearing on the delivery of low-income housing. The role of, and the relationships between, the provincial and municipal structures are in a state of flux, and the final outcome will have a major impact on the kinds of programmes and projects which will predominate in the future.

A - Federal

CMHC plays less of a leading role in Alberta as compared to its role in Manitoba and especially as compared to its role in Saskatchewan. The regional CMHC office is located in Winnipeg and Saskatchewan relies heavily on CMHC for the planning of its programmes and projects, while in Alberta, the CMHC branch offices are faced with a growing and aggressive provincial housing corporation. In Alberta, Branch offices are located in Edmonton, Calgary, Red Deer, Grande Prairie and Lethbridge.

The Branch offices have a closer liaison and more frequent contact with Head Office than with the Regional office. The Edmonton and Calgary branches appear to have the necessary expertise to carry out the existing programmes within their present context. However, they are not oriented to policy formulation or to innovation. Indeed, they do not consider such a role to be within the scope of their jobs,

as presently constituted. The Branch has no division or even person who can respond to the needs of community groups, or who can respond to proposals which do not fit the present 'molds'. The Regional Office's Social Development section, if extended to the Branch level, might be able to fill this gap.

The Edmonton Branch office, in particular the present Assistant Manager, played an influential role in the shaping of the Alberta Housing Corporation, when it first came into being in 1965, and for the first few years acted as the dominant partner in terms of planning programmes and projects in the province. Both the Edmonton and Calgary branches have had more constant and immediate contact with the city than with AHC, as the city has been the initiator and partner (for public housing projects). However, in the last year, AHC has been expanding its staff, and its role, and now insists that the Branch and the city make contact and negotiate via AHC.

B - The Province

Two provincial departments have an involvement in housing - the Department of Health and Social Development and the Department of Municipal Affairs with the latter having the lion's share of responsibility. In addition, the province has a Credit Union and Co-Operative Activities Branch which involves itself with co-operative housing.

B-1 - The Credit Union and Co-Operative Activities Office

Credit Union and Co-Operative Activities is the provincial government office which approves co-operative associations. If the office receives a request from a group that wants to set up a co-operative, personnel will be sent out to help them set it up, and advise them on the provincial co-operative act. After forming as a co-operative association and receiving the approval of the director, a group goes to the Registrar of Joint Stock Companies for final approval. Most of the activity of the Credit Union and Co-Operative Activities Office is with co-operative business ventures rather than with housing. However, the office has been in close contact with, and given advice to, both the Calgary Housing Co-operative and the Sturgeon Valley Co-operative (Edmonton).

B-2 - The Department of Health and Social Development

The Department of Social Development and the Department of Health have recently been combined into one Department, Health and Social Development. This department through its Homes and Institutions branch has a formal involvement in housing as it oversees the administration of the Foundation programme (senior citizen lodges), built by the provincial government and nursing homes. It also has an informal involvement through its Public Assistance

Branch which administers the provincial social assistance programme and which keeps a housing registry for social assistance recipients as well as paying their rent in private or public accommodation.

All senior citizen lodges built under the Foundation programme must be licensed by the Homes and Institutions Branch. This means that they are actually not restricted to senior citizens. The Branch does not select tenants or set the budgets, nor does it carry out an income or age review. This function is carried out by a local municipal Foundation board. However, it does set basic regulations and criteria which apply to all lodges. For example, the resident of a lodge is supposed to be self-sufficient. If she is not, she must go to a nursing home. The Minister of Health and Social Development sets the rents for all Foundation lodges. The Homes and Institutions Branch receives the applications from Foundations to build a new lodge. The Branch decides, in consultation with the Foundation board, the general design, unit count, site location. In addition to the lodges built by the province, senior citizen housing (both self-contained and hostel) is also provided by non-profit groups and private citizens.

Most Foundation lodges (senior citizen) contain hostel type accommodation plus some housekeeping units for married couples and unattached ladies. However, in terms of design, the Homes and Institutions Branch now puts more emphasis on accommodation for singles than for doubles. It has been found that elderly couples like to stay in their own place no matter how modest it is.

B-3 - The Department of Municipal Affairs

The Department of Municipal Affairs is responsible for the Alberta Housing Corporation. The Deputy Minister of the Department is the Chairman of the Board of Directors of

AHC. The Department (in particular its Minister and Deputy Minister) appears to play an influential role in the determination of AHC's housing policies. For example, the impetus for AHC's impositions of a \$15,000/unit limit on all public housing projects came from the Minister.

B-4 - Alberta Housing Corporation

In April 1965, the Alberta legislature passed the 'Alberta Housing Act' (an act to co-operate with the government of Canada and other Public Authorities for the provision of Housing and Urban Renewal). It allowed the province to enter into agreements with the government of Canada, CMHC, a municipality or any housing authority for projects under Part VI of NHA, 1954. The legislation allows either the municipality or the province to assume the onus of responsibility, to undertake and carry to completion public housing projects. Municipal powers and matters relating to the area of housing are covered in the legislation.

In April 1967, an Act to amend the Alberta Housing Act was passed. It more clearly enunciated the possibilities for municipal and provincial participation in public housing under the 1964 amendments to the NHA. Section 16 established the Alberta Housing and Urban Renewal Corporation, later changed to the Alberta Housing Corporation. Four subsections incorporate provisions similar to those within the Ontario Legislation. The Corporation reports to the Legislature through the Minister of Municipal Affairs. The Corporation operates under a Board of Directors consisting of a chairman, vice-chairman and 4 members at large. There is, at present on the board, in addition to government officials, one member from the construction industry. AHC hopes to add one or two others from the industry.

The Director of AHC, the Deputy Minister of Municipal Affairs, the Deputy Member of Lands and Forests, the

Deputy Attorney General and the Deputy Minister of Public Welfare are the 'government' members making up a rather tight-knit group.

In 1968, AHC had a staff of 8. By January 1970, this had risen to 76, and after their expansion programme is completed this year, their staff should total 130. Organizationally, they are divided into 5 sections: Finance, Loans, Property and Management, Technical (which has the most people and handles research), Executive (which decides policy). The Technical division has 3 sections: construction, architectural, and appraisal and research.

AHC has only two architects and plans to add a third. It relies mainly on outside consultants. The appraisal and research section includes two development officers (rising to three) and an economist with a Masters in Urban Affairs. Since 1970, AHC has handled all its own financing. It is voted a certain amount of funds by the provincial legislature. If this is not sufficient, AHC can go on the open market and borrow.

AHC considers its relationship with the Branch Office and the Regional Office (CMHC) to be close and informal. However, they feel it would save time and allow for greater flexibility of operations, and for more appropriate programmes, if these two offices were given more authority to give definite answers.

AHC's expertise and manpower appear to be weighted toward the 'financing and management' aspects of housing rather than the 'social aspects'. For example, there is no division which would correspond to CMHC's Social Development Division. The structure (and the ideological orientation) of AHC lends itself better to such cut-and-dried programmes as 'assisted home ownership' (AHO) than to the more complex socially-demanding programmes, such as public housing or co-operative housing.

A.H.C. officials see the Corporation as playing a leadership role in relation to the municipalities and as acting as a buffer between CMHC and the municipalities.

The provincial housing corporation formally is in charge of government housing programmes in the province. Its approval is necessary before any project can proceed to construction. It is responsible for 90% of the capital cost of public housing built under 35D. However, AHC is dependent on CMHC for the major part of its funds and CMHC lends these on a programme basis so that CMHC in fact determines the provincial programme mix.

Senior provincial officials would like to see CMHC accord Alberta the 'Carte B lanche' budget which it accords Quebec. They claim that AHC has the expertise and programmes necessary to take advantage of such a flexible budget. Such a 'policy' change would give AHC more control over the programmes available to municipalities. They suggest that AHC, if given a 'Carte Blanche' budget, could in turn accord the larger municipalities, which have the necessary organization and expertise, a similar Carte Blanche budget, but by programme (i.e. so much for public housing, so much for rehabilitation). AHC would negotiate with the municipality to determine its needs. Project by project approval would not be necessary. Thus the cities would have the option of assuming responsibility for the planning and building of low-income housing. However, the provincial government in recent months has been passing and proposing legislation which will syphon power and responsibilities from the municipalities rather than retain or add to them, and its willingness to translate such proposals for delegation into reality remains in doubt.

AHC, until recently, has had a small staff and has lacked expertise in planning, programming, operation.

Although the municipalities and CMHC were supposed to deal through AHC, municipalities at least in the case of Calgary and Edmonton dealt directly with CMHC. Calgary and Edmonton both have their own housing departments which have planned and developed public housing in their cities. AHC has recently indicated that it plans to play a much larger and more direct role in planning low-income housing projects in the province as a whole, particularly in the large municipalities.

C - The Municipal Government

Both Edmonton and Calgary operate under the Council-City Commissioner system. "The commissioners of the City of Calgary (and Edmonton) constitute an executive body responsible to the City Council for the general administration and co-ordination of the city's affairs, and for the implementation of all the Council's policies and directives. The overall knowledge of the city's problems that the commissioners thus acquire from their special vantage point in the city government equips them to play an effective role as the city council's principal advisers on matters of policy; and the mayor, because of his intimate relationship with the administrative problems of the city's government, is able to function more effectively as a front-rank municipal policy leader".⁵

The great advantage of the municipal structure of these two cities, in terms of legislating and administering their affairs, is that each is one municipality rather than five or six, so it is saved the innumerable problems of Metro Government. This unification makes planning of transportation, land development, housing developments, etc., much more feasible and successful.

C-1 - City Council

Edmonton

City Council is split on the issue of low cost and public housing with the Mayor usually able to swing a majority of the votes in favour of a new development.

5. T.J. Plunkett, Urban Canada and its Government. A Study of Municipal Organization, 1968.

There are a number of factions on council and considerable negotiation is involved.

The Mayor Dr. Ivor Dent, is a strong mayor, with progressive views, who exerts an influential impact on City Council. However, he negotiates quietly and with moderation in contrast to the free-wheeling high-pressure style of his counterpart in Calgary.

Calgary

Calgary's City Council is dominated and controlled by its Mayor. The Mayor expects Council's confirmation of his views and actions and generally pushes his proposals through. In terms of quantity, Calgary has far outpaced Edmonton in the area of low-income housing. Mayor Sykes has pushed hard for public housing. He claims to be in regular monthly contact with Andras and knew about the \$200. million programme months before it was announced publicly. In any case, it is the Mayor who is the key player in the municipal structure.

C-2 - Municipal Housing Departments

C-2-a - Edmonton Community Housing Organization (E.C.H.O.)

See Appendix 1 - Organizational Chart - ECHO

2 - Definition, Role of the Housing Expediter.

ECHO was organized in the spring of 1969 for the specific purpose of delivering public housing. The city wanted to get public housing under way in a hurry to meet the urgent need and needed the machinery to do so. To expedite matters, ECHO was put directly under the Chief Commissioner's office. However, it was always intended that ECHO should be placed within a regular Department and it is now under the Department of Property Management.

The existence of a sub-department devoted solely to 'community housing' (Public Housing) has resulted in a rather strong municipal 'presence' in the field. Until recently, public housing was planned and developed by ECHO in consultation and negotiation with CMHC. ECHO carries out surveys of housing needs and makes short and long range plans to meet these needs.

All the existing projects have been built under Section 35A and Head Office's A & P division has been responsible for the design. One proposed 35D project has been completely designed by consultant architects according to the specification of E.C.H.O. and the city architects.

ECHO has a very close liaison with the Edmonton Housing Authority and holds weekly meetings with them. The EHA supplies ECHO with monthly data on applications received so that they can keep track of changing demand. Public housing is ECHO's only concern for the simple reason that, at present, they do not have the time or the manpower (with a force of three) to administer any other programmes. However, they do not rule out the possibility of involvement in delivering alternative methods of low-income housing in the future.

ECHO works closely with the 'Planning' Department. The Planning Department was pushing for public housing as early as 1960. The superintendent of that Department sees the lack of inexpensive land as the major problem in the housing field and land assembly as the solution to this problem. The planning department works closely with ECHO in picking out sites for public housing.

C-2-b - Calgary Housing and Urban Renewal Department (HURD)

The Housing and Urban Renewal Department was set up about 1966 as the Urban Renewal Department and was made

responsible to the Planning Department. Its initial task was to plan (with CMHC) public housing to replace what would be torn down under the downtown urban renewal scheme. Like ECHO, HURD's sole concern is public housing. The Department prepares the proposal call for a project (which reflects what they regard as the need) and reviews the proposals received.

Because most of the public housing projects (with the exception of Baker House and Shaganappi) have been built under proposal call, HURD has not had quite the burden of responsibility or work in the last years, as has been carried by its Edmonton equivalent, ECHO. However, HURD spent almost 2 years on the planning and developing of Shaganappi (564 units) until its completion in summer 1970. Public housing up to the present has been the result of the efforts of the Mayor, HURD and CMHC. AHC's plan to assume more control will lessen the role of HURD and the City's control over what gets built. Relations between HURD and AHC are noticeably cool. A workable relationship exists between HURD and the City government, but relations with the Mayor have been strained. The Director of HURD and the Mayor have disagreed on the issue of land assembly which the Director regards as a necessity and the Mayor as an anathema.

C-3 - Edmonton Municipal Planning Commission (MPC)

The MPC is a body created by and responsible to the city. It reviews all proposed public housing projects at their preliminary design stage and must approve the rezoning of land if this is necessary. It has mostly been composed of people with a technical background, engineers, appraisers, etc. Recently, the Director of the Department of Social Services was asked to sit on the MPC. The previous composition of the board did not result in a bias

against public housing, but rather a hesitancy towards implementation, and he was asked to join so as to add the "social" point of view to their deliberations. He sees his role as pushing for more public housing.

C-4 - Local Housing Authorities

Edmonton Housing Authority (EHA)

The Board of Directors was formed January 1970, and in June, the first tenants occupied the first public housing project. The Board is very liberal, socially and tenant-oriented. Its members include a CBC reporter, a member from the Labour Council, a lawyer, a housewife, a Minister and a high school principal. The Board meets once a month as a full body and more often in smaller groups of two or three. It sets operating policy and carries out public relations work on behalf of public housing (through panel discussions, press releases, etc.). It receives applications and is responsible for tenant selection, although it relies heavily on the advice of the Housing Manager. The Board took part last year in some interviews and inspections in order to get involved at the grass-roots level.

The Manager plays a major role in the management of public housing, but the EHA board is strong and quite involved in management as well as being aware of and concerned about the housing situation in general in Edmonton. They would like to become involved in the planning and design of public housing because they believe they have obtained an understanding of design and construction needs in the last year as a result of tenant's complaints and their own observations.

Apparently, AHC wants the Board to concern itself strictly with selection of tenants and day to day management.

In their initial stages, they were warned by AHC not to become involved with helping tenants to organize and not to concern themselves with future projects or planning. The Chairman of the Board protested their exclusion from helping tenants to solve their own problems.

The Board feels that it must tread carefully. It will not instigate the formation of tenants' associations, but if some tenants ask for help in organizing, the Manager and the Board are determined to offer their assistance and they do not think that AHC will prevent them from doing so. The EHA has a good relationship with the city government, especially with ECHO and it would seem that the city would be favourable to an expanded role for the EHA. The EHA has a working, although not close, relationship with the CMHC branch. The Chairman of the Board, Doris MacFarland, a freelance CBC reporter, is the moving force on the EHA and because of her media background deals quite confidently and effectively with public officials and situations of conflict. The Manager is given a fair amount of leeway and responsibility, but defers to the Board in matters of policy.

Calgary Housing Authority

The Housing Authority came into existence in January 1969. The Manager of the Calgary L.H.A. in contrast to his Edmonton equivalent is strictly business and management oriented. According to the Housing Manager, there are no problems with the operation of public housing in Calgary, and the system is working well. The Chairman of the Board, A. Knight owns and/or manages about 2000 L.D. units in Saskatchewan and Alberta! He feels this has provided him with a valuable background in the operation and management of low-rental housing and in dealing with low-income tenants. He is conservative

and defensive about the role of the L.H.A. and about public housing in Calgary. The relationship of the L.H.A. with A.H.C. appears to be good, but their relationship with the city is not.

C-5 - Local Foundations

Senior citizen lodges built under the provincial Foundation programme (which will be discussed in Chapter IV) are managed by local Foundation Boards. The Greater Edmonton Foundation (GEF) has a board of four members, unpaid, who are all alderman. The reason for appointing only alderman is the the City is responsible for operating deficits at the end of the year and therefore feels that it must have control over budgeting. Deficits are paid for out of General Revenue. The executive manager is paid. The GEF has an anonymous selection committee. There is no means test, but priority is usually given to the neediest pensioners with no other income. AHC, in the interests of simplification of the application and selection procedures and better communication, would like to see the amalgamation of the Greater Edmonton Foundation with the Edmonton Housing Authority.

D - Private Sector

The role of the developer and builder in housing and related fields will also be looked at in Chapter IV.

D-1 - Edmonton

In Edmonton, the residential development industry is composed of developers, builder-developers and builders. The largest and most influential of the three is the builder-developer who owns land, builds housing and even manages his own units. Alldritt is the largest builder-developed in Edmonton and has built a majority of the Section 16 L.D.'s. As in most cities, the CMHC Branch has a very close and informal relationship with the construction industry, especially with the big firms.

Developers develop land and then sell it to builders. It is this latter type of firm which has built the public housing in Edmonton (Engineered Homes, Unalta Construction). Until the recent land assembly project was carried out, about five of the big developers and developer-builders had tied up between them most of the land suitable for residential development in the Edmonton area. The private sector is represented by an organization called the Urban Development Institute (UDI). It is a national organization with numerous branches. The members of the Edmonton branch include all the major land developers plus the apartment and house builders. In addition, it has associate members, surveyors, engineers, etc. Their purpose is to promote development and the most efficient and economical use of land and to maintain good relations with the city planning department. According to CMHC branch officials, the UDI prepares and publishes briefs, but does little else.

D-2 - Calgary

In Calgary, the builder-developers are involved in building public housing as well as Section 16 L.D. This is because the city uses the proposal call technique for public housing. The construction industry has enjoyed a boom in the past few years to the extent that it overbuilt, at least in the area of rental accommodation. The vacancy rate is very high (12%) according to a recent CMHC survey. The Mayor claims that high vacancies are a result of developers being too greedy and not having the sense to pay attention to market demand and changes, or as a result of developers building shoddy projects. The relationship between the private sector (developers and builders) and the city and the CMHC branch appear to be as close and casual in Calgary as in Edmonton. As the Mayor of Calgary is a past president of the Western Division of Marathon and a believer in free-wheeling capitalism, the city-developer (builder) relations are perhaps tighter and friendlier in Calgary. The Mayor maintains that public housing must be provided for those who cannot afford even private low-rental or low-cost homes. He does not regard this as interference in the private market.

E - Community OrganizationsE-1 - Edmonton Citizens for Better Housing

At present, there is only one community organization in Edmonton that has a direct involvement with housing, The Edmonton Citizens for Better Housing (ECBH).

ECBH was formed about 2 years ago and legally incorporated in January 1970. They have a city-wide membership of about 100. Their membership includes ordinary citizens as well as "professional" types (social workers, etc.). They have a steering committee of five members, but all meetings are open to the whole membership. They act as a resource pool, i.e. they give aid and advice to other groups (like the Sturgeon Valley Co-operative group) and link them with the necessary professional knowledge and skills. The ECBH in 1970 (operating with a CMHC Part V grant) designed and carried out a Charette or a citizen planning process, where citizens who would be living in a new Co-op Housing Development came together and with the help of technical resource people attempted to design their community. Originally, ECBH's focus was solely on housing, but now they have decided that they must be comprehensive as housing cannot be treated as an isolated problem in any community.

They have no stable or permanent source of funds and are applying to CMHC for a Part V grant (as well as to the Department of National Health and Welfare). If they get it, they plan to use it to hire animators to carry out community probes and to help form tenant associations. There was concern that the broad terms of reference might make it impossible for CMHC to fund the group since the group's scope would be considered as outside CMHC jurisdiction.

The response from ECBH was that they would not narrow their scope in order to get the money. Their concept of themselves as a resource pool responding to the needs and requests of other more localized and specialized groups, and their broad terms of reference make them a potentially valuable base for community self-help programmes and for a moving away from structurally bureaucratic solutions to various social problems, including better housing for low-income people. Early this year, the ECBH opened a Housing Bureau with a grant obtained from the Citizenship Branch of the Secretary of State to deal with immediate housing needs.

In April, the ECBH applied to the legislative committee of City Council for a subsidy of \$1000/month for the Housing Bureau. The Minister of Municipal Affairs advocated that the city support the Housing Bureau financially. In June, City Council approved the subsidy. The grant from Secretary of State has nearly been exhausted and the Bureau will soon be operating solely on the city subsidy. Most of the workers who man the telephones, do the driving, etc. are volunteers. The Bureau has only three paid workers. The Housing Bureau provides a list of available accommodation (i.e. a Housing Registry), plus assistance in finding accommodation. This assistance includes transportation to assist prospective tenants in viewing units. The Bureau also provides information and gives advice to people who call in. Calls are mostly from tenants complaining about mistreatment or inquiring about their rights.

Since the Housing Bureau has been in operation, landlords have apparently become more careful about legalities, such as 30 days' notice from the first of the month, which apparently they had too often been ignoring. The Housing Bureau has little contact with other city agencies.

The Mayor of Edmonton does not favour support of community groups. Reflecting the bias of most elected officials, he claims that such groups are not representative. Citizens he believes should work through their municipal government. The Mayor insisted that if municipal governments were given the grants that the federal government allots to community groups, they could meet those social needs such as keeping a housing registry and running a housing bureau. However, he did admit that many municipalities are reluctant to meet such needs as a result of political rather than financial considerations.

E-2 - Calgary: No other way (N.O.W.)

In 1968, a very vocal and active citizens' organization rose up over the issue of Calgary's urban renewal scheme and the lack of public housing. The organization N.O.W. according to the Deputy Minister of Municipal Affairs, Morrison, and Mayor Sykes, in the summer of 1969, carried out demonstrations and sit-ins in City Hall and bears a large share of the responsibility for Shaganappi being pushed through. One of the leading figures, a priest, is now on City Council and is an avid supporter of Sykes. The organization appears to be moribund.

Chapter III - Policy Analysis

A - The Province

In general, the policies of the provincial government with regard to housing and to providing assistance for low-income people reflect the government's strong business orientation and the economic realities of a province rich in oil, mineral and agricultural resources. As policies are closely related to, and can be best understood in the context of actual programmes, this chapter will be very brief and general.

Social assistance (welfare) payments in Alberta are relatively generous and the policies of the Public Assistance Branch individually flexible. However, in the housing of recipients, the Branch and the recipients are hampered by a lack of alternatives or choice. Although perhaps more expensive in the long run than, for example, a self-help programme like co-operative housing, the province apparently feels that it is administratively and politically expedient to rely on a system of rent vouchers to be used for the renting of privately owned accommodation. The Public Assistance Branch would welcome alternative programmes.

However, the provision of such alternatives requires the co-operation of AHC. Such co-operation has been minimal and highly restrictive. AHC has little sympathy for or interest in the welfare recipient beyond putting a roof over his head, a responsibility which the province does fulfill. It is felt that those on welfare have not earned the right to have the choice, the pride in ownership or the sense of independence which AHC is attempting or would like to institute for low-income people.

AHC, while it recognizes that a certain segment of low-income society could never afford home ownership or simply may not desire it, has a definite bias in favour of home ownership programmes. This bias is reflected in attitudes toward public housing, tenants' associations and co-operative housing, and is the result of financial considerations and socio-cultural values. It is cheaper to finance home ownership programmes than subsidized rental programmes because the former involve no operating subsidy and much less of a capital subsidy. AHC would like to see public housing converted to a rent to ownership scheme. It is their belief that people who own their own homes will take better care of them (pride of ownership) and that in a province so dedicated to individualism, the rights of property and free enterprise, home ownership is more compatible with the prevailing social values.

The province provides a \$75 tax rebate for home owners. Provincial legislation also reflects the bias against renters in such acts as the Landlord-Tenant Act, which has not followed improvements in the legislation in other provinces over the last few years. Under the Act, a local municipal government can establish a Tenant Advisory Board. Both Calgary and Edmonton have done so. The Act does not give the Boards any specific powers or regulations by which to operate. As it is, Boards have no teeth and can only request and recommend. The province maintains that the provision of an opportunity for the public exposure of landlord-tenant difficulties is sufficient protection of the rights of tenants. However, during the brief period that the Boards have been in operation, Board members have complained that they are a sham, since one of the parties (usually the landlord) often refuses to appear at the hearing and the Board has no power to enforce its decisions.

A - Public Housing

A-1 - Planning and Building

AHC in the past year, in a flurry of concern over the high cost of the public housing programme, has clamped a \$15,000/unit limit on public housing projects and threatened to increase its equity in public housing projects to 90% and to assume control over planning and building.

AHC officials can see no reason why public housing should be elaborate "considering that nice looking houses were built for \$13,000 under the \$200 million programme". Moreover, by limiting the cost, AHC can get more units out of their budget. Municipal Affairs officials agree and attribute some of the high cost of projects to the "grandiose" designs and building standards of CMHC. Developers bid high because they expected to incur extra costs in meeting Head Office requirements.

Edmonton's Housing Expeditor complained that the city merely received a brief letter setting out the limit, with no justification or explanation whatsoever. The city may falter over the \$15,000 limit with its future housing projects. Its 80 unit Londonderry project went over by 2%. The 80 units should have cost \$1 million and came in at \$1,240,000. The city had to re-negotiate with the lowest bidder and cut down the specifications (asphalt walks and curbs which will cause drainage problems, no brick on the exterior, poorer quality electrical equipment). There are fears that if they continue this way, they will have the worst project in the country. By means of its cost limitation, AHC is forcing public housing to be built to minimum standards. The Chief Commissioner fears that the limit will result in a substandard community, as open space and playgrounds will be the first things to go. Because

the limit applied to any size unit, the City is having to cut down on the number of four and five bedroom, even three bedroom units, for fear that they will not get a project approved.

The reason for the imposition of the \$15,000 limit was probably political as much as economic, and resulted from decisions of the Cabinet and the Minister of Municipal Affairs as from those of AHC. An election was in the air and the Social Credit government was very aware of a tax-conscious electorate.

Under existing procedures, the City provides only 10% of capital cost required under Section 35D NHA and ends up owning the project following the 50-year term of the CMHC loan. The province puts up 90% of the capital cost based on a loan from CMHC and 40% of the operating subsidy. Under this financial arrangement, the City can acquire large tracts of land which will either yield substantial returns or serve as a basis for further redevelopment as the City sees fit.

AHC is greatly concerned at present over this issue of final ownership. As the Deputy Minister of Municipal Affairs remarked "AHC can afford to play Santa Claus only so long". AHC wants its equity in the projects to be equal to its financial contribution. The Director of AHC recently outlined to ECHO and to Calgary's Urban Renewal and Housing Department, AHC's "proposed" plan to develop and own future projects built under Section 35D NHA. Under their proposal, the City would be responsible for setting housing objectives and initiating projects to be subsequently developed and owned by AHC. In turn, AHC would be responsible for the complete capital cost of the project, including acquisition of land. AHC would also assume all responsibility for design and construction and the City

would be expected to contribute to the operating losses of the project, presumably to the same extent as currently exists.

It is evident that AHC is interested in more than the final ownership of projects 50 years from now. If AHC takes over responsibility for the acquisition of land plus the design and construction of the projects, it will have vastly increased its power and control at the expense of the municipal housing agencies. AHC's financial contribution will be matched not only by its control over ownership, but by its control over planning.

The Mayor of Calgary believes that it would be fundamentally wrong for the federal government to allow a provincial level of government to use federal funds to cut out of planning a third level of government. Moreover, since in the eyes of the residents a municipality bears the ultimate responsibility for residential planning and building, it ought to contribute to that process of planning and building. A municipal housing department is more acutely aware of its servicing and building by-laws, of the city's pattern of housing development and design, of the economic, social and ideological factors peculiar to its area than is a similar department of the provincial government. The Director of ECHO raised two further objections: grants, whether they are used for any capital works programme or for the reduction of the operating losses of community housing projects, should not be premised on equity participation of a senior level of government. Secondly, he found it difficult to understand why a provincial corporation, rather than a municipality, should hold such substantial housing assets within a municipality, as these developments are intended for the citizens of Edmonton and any long-term dividends that might accrue as a result of ownership

should remain with the citizens of the city of Edmonton and not with a provincial corporation.

The federal government should attempt to dissuade AHC from assuming such extensive control over this programme by exerting the pressure and influence it derives from being the source of AHC's funds, or by attaching a rider to the programme itself to the effect that municipalities must continue to play a substantial role in the development of public housing. It should be noted that one of the instigating factors behind AHC's proposed "take-over" has been Calgary's exclusive employment of the open-ended proposal technique. AHC regards Calgary's operation as haphazard, one that does not include the collection of proper pre-development information. Proposal calls also make it difficult to effectively compare costs submitted by various developers.

It may be AHC's intention to make the public housing programme less attractive to municipalities, thus cutting down on the amount of public housing built and, as a result, lowering the capital and operating expenditures which AHC must assume. If AHC took over the planning and building of public housing projects, it could more easily and efficiently decide what would get built and how much. Even if it does not proceed with a "take-over", AHC has indicated to both Edmonton and Calgary that considerably more justification and documentation will be required to verify future programmes and individual projects initiated under Section 35.

AHC sees public housing as an undesirable if necessary solution to the problem of housing low-income people. They dislike it because they feel it forces the government into an area that should be left in the hands of private industry, and because it is only a rental facility. AHC maintains

that it is the dream of every Albertan to own his own home. With public housing, all the occupant has to look forward to is his rent going up or getting "booted out". AHC wants to maximize on private industry's skills and abilities and tie them in closely to their programmes. AHC does not want to be a big developer or owner, as OHC is. They think that private industry can more effectively design, build and operate housing projects and at a cheaper cost than can AHC. AHC sees its purpose in the area of housing low-income people as being to:

- 1) serve the interests of low-income people;
- 2) serve the interests of private industry.

AHC sees public housing as being useful in limited amounts. It is perhaps necessary to provide a housing "bank", but there should be something that the tenant can step into "as soon as he betters himself". Thus, built into any public housing programme should be an option under which the tenant could proceed to ownership of his unit (rent to ownership). Such an option, AHC maintains, would reduce maintenance costs and act as an incentive for the individual to do something for himself and eventually enable the government to unburden itself from its involvement. Under 35D with the province as owner, AHC could sell off units and itself act as one of the condominium owners of a condominium project. The Minister of Municipal Affairs has said that the success of the public housing programme can be judged "not by how much is built, but by how little".

A-1-a - Edmonton

See Appendix 3 - Public Housing - Completions.

A-1-a-1 - Background

The City of Edmonton applied for public housing as early as 1967. However, they did not have a site and it took about a year before one was picked out. In January 1969, the Branch Office received a firm commitment from the city for F.P.1 - New Delton I (site picked out, amenities checked out). The preliminary proposal (site, no. of units, general description) was turned over to the Head Office architects. By July, the preliminary drawings had been completed and the tender call went out. The period of negotiation was 6 months, somewhat longer than normal due to the fact that it was the first project. The Branch Office was trying to prepare the city and the province for future projects, as well as to bring this project into being.

By fall 1971, the city will have 278 public housing units occupied. The city is aiming for 1300 units of public housing in Edmonton by the end of 1971 (975 are on the drawing board, in various stages of planning - under construction or completed). There are 2,271 families on the waiting list.

A-1-a-2 - CMHC's Role in the Planning of
Edmonton's Public Housing

In 35A projects, Head Office is heavily involved and the Head Office architects are responsible for the design. However, the Branch Office architect, the city's architect and AHC's architect work together closely on a 35A, meeting frequently to thrash out details and problems.

Formalities require that with 35A's, the Branch Office go through AHC to the city. However, informally and out of necessity, the Branch Office often deals directly with the city.

Initial approval in a 35A is a 2 step process. The project must be approved in principle by the AHC and CMHC. Then a somewhat more detailed proposal is brought forward and this must be signed by CMHC, AHC and the city. The Edmonton Branch Office has managed to get the 2 steps combined into one. The Calgary Branch Office has not yet accepted this idea. It would appear that the Branch Office role in the planning and approving of a public housing project (35A) is somewhat limited. The Branch Office is involved in the early steps, when the idea of the project is just getting off the ground and being formalized into an initial proposal.

After approval in principle has been received, Head Office plays the deciding role (in conjunction with its partner) and the Branch Office plays very much a secondary role. The Edmonton Branch had two complaints about 35A - the lack of local control in the planning and designing of the project and the difficulty of getting "quick" decisions made. AHC had very few positive opinions about 35A. They complained that the Head Office architects who are responsible for design under 35A do not understand the area or the climate, predominant house design, etc., that CMHC standards are too stiff and too complicated, and that the materials used are often not available in the immediate area. These two factors result in increased costs. Also, the Head Office design, because it reflects the Ottawa environment and not Edmonton's, stigmatizes public housing.

The city has decided to build all future projects under Section 35D because it found 35A unworkable. The two major difficulties lay with the complicated and lengthy process of negotiation caused by having 2 masters (CMHC-AHC) and with design. City officials believe that the trouble with having Head Office responsible for the design is that design becomes institutionalized and inflexible and the designers (architects) intolerant of outside suggestions.

They have put in design aspects which are guaranteed to make a project stand out; for example, chain-link fencing which is used only for schools and industries; and narrow board sidings which are not used elsewhere in Edmonton. ECHO has met with little success in getting changes it wants in little things, e.g. it wanted the sidewalks of each unit connected from front to back. Head Office insisted it was unnecessary and costly. As a result, they complain, in a few years there will be a trench dug between the front and back. Apparently, quite often, the Branch Office would back ECHO on certain points and their suggestions would also be turned down by Head Office.

An example of Head Office bureaucracy allowing and then blocking a move that would have decentralized the planning process occurred when Head Office first gave the city permission to use its own legal department to act on behalf of the city and CMHC to process and close out a loan (saving approximately \$10,000 on the project), and then abruptly and without reason withdrew their permission when the loan application was ready.

For Dickensfield I, a 35A project (1970), Head Office came up with a good idea to decentralize the design process and then blew it. They allowed the city to hire its own consultant architects to do the design, but then refused to allow the city to communicate directly with its consulting architects. ECHO's queries had to go to the Branch, then to Head Office, and through them to the consulting architects. It was a wasteful and time-consuming process. After a few months, ECHO and the Branch threw up their hands in disgust and began communicating directly with the architects. Head Office was unhappy about this. Head Office had allowed the consulting architects only a "draftsman" role. For their last two F.P.s, ECHO is going to go back to the old method, which they feel is preferable to the above "bureaucratic nightmare."

Head Office has carried good concepts to the point of irrationality. For example, the concept of street identification has been carried to the point where Head Office insisted on an internal road for a small 80 unit public housing project just so that each unit faced a street. The road was unnecessary for any other purpose. This project is a 35D, so that the city did the design. Head Office would not give final approval unless the internal road was included. In the original design shown, the units were strung in rows of 3 units, sideways off the surrounding streets. Parking was provided for, as well as a relatively spacious amount of grass and play area. There seems to be no reason why each unit could not have had a street number. They just would not all have faced on a street. The internal road cuts through the middle of the project.

A & P Division has designed internal roads in two 35A projects of 134 units. The City's Chief Architect maintains that a family identifies with a community, not a street and that traffic movement seems to have become the "raison d'être" at Head Office. In his opinion, asphalt sterilizes the area and a road adds to the noise. The City Planning Department is de-emphasizing the role of internal roads and is orienting dwelling units to pedestrian walkways (circulation spines). The city by-law has been changed so that housing units can face the pedestrian walkways rather than the road. Because of climatic conditions, the city likes to keep car entry at a maximum of 150 feet from the unit. This could have been managed in the above 2 projects and in the 80-unit 35D.

The imposition of an Ottawa "design" in 35A projects in the Western Provinces has added to the cost of such projects and to "stigma" and in Alberta has been partially

responsbile for the city of Edmonton switching to 35D. However, CMHC, even when it is not responsible for design, as in 35D, can still impose its particular views as each individual project requires Head Office approval. The planning and final approval of design should be left in the hands of the province and the city.

The city would like to see immediate changes in CHMC's role in public housing projects. CMHC's public housing inspection rules treat the city as though it were merely another private citizen, resulting in duplication and a waste of time and money. Where a city has sufficiently high building standards and a qualified inspection staff, CMHC's inspection process should be abbreviated accordingly. The city feels that CMHC's A & P Division is not playing the role that it should be and that it is far too involved in the minute details of individual projects. This over-involvement is true, although to a lesser degree of a 35D project than of a 35A. A recent 35D project required 15-20 meetings with the City, CMHC and AHC architects, plus individual meetings and informal talks, before the design was finalized. A 35A project requires even more meetings. In the city's opinion (which we support), A & P could be most valuable carrying out a large scale research function and making their findings widely available. As it is, any information the city has received on life styles and needs of low-income people has not come from CMHC. Most such information they have researched themselves. Specifically, CMHC (and AHC) could decide the maximum cost and set out the bare bones of design and environment and then play a backseat (evaluating) role.

A-1-a-3 - Municipal Policies - Planning

In strict terms of money flows (and total cost) the 35A method is less expensive for the city than the 35D method.

The city pays 10% of the capital cost and 10% of the operating costs under both 35A and 35D. The city has decided that 35D's advantages of ownership, convenience and flexibility make it more attractive than the 35A methods. "As land is an investment which yields a substantial return, the city..., if it develops projects under 35A, loses all but 10% of this return. If, however, the city takes advantage of 35D, it stands to not only acquire large tracts of land at 10% of their cost, but also takes advantage of the higher return on the land at a later date. ...By acquiring ownership of the project for 10% of its cost (35D), the city will have a substantial base (value of land) on which to develop future projects, ...and...as the city owns the land, future development of this land will be entirely within the city. ...35D projects allow the city greater flexibility, in that the city is free to develop projects within the broad outline of the NHA without having to constantly consult the other two levels of government. (Moreover)...a 35A project can take from 6 to 13 months longer to develop than the same 35D project. This time saving does not represent a cost saving to the city as the city must perform practically the same functions under both methods. The savings which accrue to the city from these advantages stem from the ability of the city to act quickly on projects when they arise, not at a later date after prices have been inflated by speculation, which develops from the rationalization that the government is involved."⁽⁶⁾

AHC's threat to change the rules under which the province and city have operated with regard to a 35D project and itself assume control over the planning and ownership of the project, if carried out, would nullify these advantages.

6. W. K. Hooson, The Work Study and Systems Section, Management Services Division (City Hall, Edmonton): Study of the National Housing Act, October 1969, p.5-7.

The Planning Department works with ECHO in picking out sites for public housing. The criterion for choosing a site is that used for any row housing project, public or private. It has to be a suitable location and accessible by public transit. The Planning Department prefers small sites, 2-7 acres (maximum 110 units). If they are much larger they believe they will be labelled as "projects".

In Dickensfield II (F/P), the City could have acquired a massive site which would have contained twice as many units (270 instead of 134) as what they did acquire. The Planning Department would not allow it as they felt it would have resulted in a "stigmatizing" effect. It would have created an immediate bad impression and laid the groundwork for social problems in the future. (In terms of hostile community reaction, Edmonton has quite enough problems as it is.) ECHO has attempted to build its public housing according to a policy of relatively small projects of a row housing design. They refuse to put families in high rises.

Neither does ECHO want to put the elderly and families into the same public housing project, as has been done in Calgary. AHC will not allow public housing to be built for senior citizens, unless it is a mixed project. ECHO's Director admits that integration of the elderly and families in the same project would bring down costs and is the only way to get public housing for senior citizens, but maintains that it is socially an horrendous idea. As a result of the policies of ECHO and the Planning Department, Edmonton has been slow in building up its number of units. Calgary's Housing and Urban Renewal Department, following the freewheeling style of its Mayor, has been far more "flexible" in its approach to building public housing. By putting up projects which consist of more

units and/or higher density (high rise), Calgary has built over three times the number of units as has Edmonton.

A-1-a-4 - Land for Public Housing

All completed public housing has been built on city-owned land. The city bought the land for Dickensfield I (F.P.1) at "single family dwelling" prices and sold it under that "zoning" rate when it was actually to be used for medium density multiple dwellings (for which it would be valued at a much higher price). The CMHC Branch Office was thus satisfied with the price. However, in the case of F.P.2, the Branch believes that they paid more than they should have (although it was less than what the city could have received on the open market). However, this land was zoned for medium density and until the spring of 1970, provincial statute forbade a municipality to sell land at less than market value. Moreover, it should be realized that if the city sells land at below market value, it is contributing more than its required 10%.

ECHO runs into problems with City Hall's land sale division who want to sell city land at as high a price as they can get. ECHO's counter-argument is that selling the land for a public housing project at higher costs only adds to what it will cost the city in amortization costs. The city has agreed to sell the land designated for public housing projects in the Millwoods area (land assembly project) at 50% of the city's acquisition costs. If AHC does carry out its intention to acquire final ownership of public housing projects, it will own this land at the city's expense.

City Council recently passed a by-law which requires that 5% of the land in any new subdivision be set aside for public housing. This figure came out of a formal agreement with the province concerning the Millwoods area. The city

actually intends to allot more than 5% to public housing in this particular area. The Chief Commissioner did not want the limit imposed as a by-law because of the fact that in some areas the land costs would be prohibitive and would skyrocket the cost of the project. The Superintendent of Planning explained (before the by-law was passed) that the by-law could be used to coerce developers into selling land at a reasonable price if they wanted to get their subdivisions developed. One would simply have to allow for exceptions argued on a case basis so that a public housing project would not be put up in the midst of \$50,000 homes. As the by-law is very recent, it cannot yet be determined how strictly it will be applied.

A-1-a-5 - Building Process

Edmonton's public housing projects have been built under tender call. The city now plans to build 375 units under proposal call on the developer's own land. It is hoped that by using both techniques, valid comparisons can be made and projects properly evaluated in terms of design and cost.

A-1-a-6 - Neighbour Reaction to Public Housing

Edmonton has had numerous problems with hostile neighbourhood reaction to proposed public housing projects. Residents in the Belvedere area in the North East were opposed to a project planned for their neighbourhood because they had expected a park where the public housing is to go in. The city insists that the residents were misled and that the land owned by the city was zoned medium density. This argument has not lessened the hostility of the neighbourhood. At the root of their hostility is the fact that these residents are on their way up, fighting their way out of the lower class into middle class life, and they resent being saddled with those "welfare types" as neighbours.

The city also ran into problems last year with a 300 unit low-cost housing project (\$300 million programme) in the Londonderry area, also in the North East. The homes were to sell to people in the \$4,000 to \$6,000 income range. The static began after the project was approved. The neighbourhood's "gut" reaction to the idea was one of immediate hostility, followed by petitions to Council. They raised numerous objections - that the project would result in overcrowded schools and parks, that the "experimental" housing would be below standard and lower their property values. None of the arguments were valid. However, at a public meeting held in the area attended by City Councillors, it became evident that the residents simply did not want "poor" people and their kids living in their neighbourhood. However, permission for the development was granted, and there have been no further protests now that it is built.

For the last few months, the city has been having problems with a 70 unit project in the Petrolia area in the south. The five-acre site owned by the city was originally zoned for medium density (row housing). Through informal negotiations with the Greater Edmonton Foundation, the site was "reserved" for senior citizens' housing. However, they were never very anxious to build there, because they regarded the location as unsuitable for the elderly (in terms of shopping and recreation facilities). The city traded a piece of land with them and rezoned the site to "special".

They did not have to rezone, because the former zoning was correct in terms of density. However, they wanted to give the area residents a chance to become involved, and a public meeting is required where an area is rezoned. The city could have put 100 units on the site, but scaled it down to 70, so as to better match the neighbourhood pattern. The neighbourhood is protesting on the grounds that facilities are inadequate for such a development. The community has a

huge park very close to the project. City Council has voted money for new recreation facilities in the park. The school board has built an addition to the school and will be left with empty space if the project is not built.

One of the reasons they decided on the Petrolia location, which is on the south side, is that most of the public housing plus the L.D.'s and condominiums have been built in one area, the North-East. Schools are overcrowded in this area, parks are scarce and the residents feel that their area has been neglected by the city, except that they get all the public housing and low cost housing. It is a lower middle income area, occupied by residents who are striving very hard, by their own means, to achieve the middle class life style. They resent the fact that all the low income housing has been dumped in their area. Many of the struggling blue-collar workers regard people in subsidized housing as freeloaders.

The first three public housing projects were not protested by the neighbourhood residents, because while also in the N.E., they were located in an older section very much below average in terms of income, educational levels, age of homes. To these residents, the public projects represented an upgrading of their neighbourhood. There are no ready solutions to this problem of hostile community reaction to low-income housing. Nearly everyone agrees that public housing is necessary, but they do not want it in their backyard, and the supporters of public housing are not there when hostilities arise. Mayor Dent said that the city has never re-zoned upward. He feels that the citizens in a neighbourhood where public housing is going in are reacting to the particular clientele which will live in that housing and complaints about over-crowded schools, lack of parks, etc. are just a smoke-screen.

Dent sees no solution to the problem. In new developments, public housing land will be zoned P3 and signs posted, so that the people, when they purchase their lots, will know what will be going up near them. They may well react negatively to such a project but, at least, will not be able to complain that they were misled. Dent does not see more "education" of the neighbourhood residents about the project coming in as an answer. More education, he believes, only makes people more aware and upset about the project. His view is that the ultimate answer is to subsidize incomes and then build housing, public and private, for people and not for income levels.

A-1-b - Calgary

A-1-b-1 - Background

F.P.1, the downtown public housing high-rise (271 bachelors and 1 bedroom units, 47 hostel beds and the first public housing project in Calgary) was a result of a requirement that units destroyed by urban renewal be replaced by new accommodation. Calgary's urban renewal plan called for residential and commercial redevelopment. A complete block by block need study of the area slated for urban renewal was carried out, out of which came the plan for the high rise to accommodate the people who would be displaced.

The urban renewal clearance took place in 1968, but the high rise was not completed for occupancy until fall, 1970. The original inhabitants by then had found alternate accommodation in various parts of the city. The high-rise sat empty until it was decided to fill it with senior citizens. It seems to be working out well. The senior citizens like the convenience of being downtown.

CMHC Head Office was responsible for design, but they farmed it out to a consultant. Costs were pared by such measures as small room size and asphalt and gravel landscaping instead of grass. CMHC would not want to allow for an overhead pedestrian system, which had been constructed or was planned for every other apartment block downtown. The city tried to get the pedestrian system included, because it thought it was only fair that tenants in a public housing project be given the same right to avoid traffic as the richer tenants in private developments in the area.

The hostel units of the high-rise still are not filled because the cafeteria has only recently been completed. The Housing and Urban Renewal Department (HURD) thought that the LHA should organize and run the cafeteria, but the province thought that this would be beyond them and so HURD was forced to accept the job. The LHA manages the project as a whole and selects the tenants.

Shaganappi was the second public housing project built in Calgary. It has been rather controversial in terms of size and density (564 units, 9.2 acres) and unit mix - (high rise, 3 storey walk-ups and town houses). City officials agreed with the criticism, but said that the project must be looked at within the context of the circumstances at the time of its inception. The idea of Shaganappi originated in 1967. No public housing existed and a desperate need had built up. There was a known 3,000 backlog of units needed. The city owned a large (9 acres) piece of land on the outer limits of the city, which it had held for a very long time. HURD spent months investigating private and city-owned sites with the consideration in mind that they would not be building on a site larger than 5 acres.

However, as the need for public housing was becoming more urgent and the city had this large tract of land, it was

decided to use this site which could hold a large number of units and which apparently the city wanted to put to some use for a good price. A need survey had shown that there was an urgent need for 1 and 2 bedroom units. However, HURD did not want a large project made up solely of this type of unit and insisted that 3 and 4 bedroom units be included.

The other public housing projects are small and were built under proposal call. CMHC Branch officials noted that the reason that projects are small is that the city likes to give contracts to as many builders as possible in order to gain votes. In East Dover, 72 units were built by 10 builders. The city issued a proposal call and then proceeded to accept all proposals.

There have been problems in filling one of the smaller projects, Oakridge. It is on the outskirts of the city and lacks proper bus service and shopping facilities. Moreover, it is located in a new upper middle class suburb and some critics believe that such integration is not welcomed by low income people. The Director said that his department has been blamed for the project's problems and accused of not carrying out a proper investigation. He defended the location on the grounds that, if they had waited until the area was built up, they would have been faced with a hostile community reaction plus higher land costs. (HURD has a problem in that, because the Mayor is so adamantly against land assembly, no land can be accumulated ahead of time.)

A-1-b-2 - Land for Public Housing

The Housing and Urban Renewal Department contends that the city should buy up land in fringe areas, while the land is still cheap, let private development build up around its land, and then build. The Mayor insists that the land

buying business rightly belongs to private enterprise and that by letting developers use the land they already have, public housing can be built more cheaply than if the city goes out and buys the land. However, as a result of this policy, some developers have been able to unload their cheapest fringe land for public housing.

A-1-b-3 - Building Process.

In complete contrast to Edmonton's preference, Calgary has built all its public housing under proposal call. This has made it difficult to compare costs submitted by various developers. AHC is very concerned about this lack of cost control and also a lack (in their opinion) of sufficient pre-development information. Last year, the city pushed very hard and managed to get additional money from funds allocated to Edmonton and Winnipeg. They got 560 units approved in 1970. This year, the city is caught up in a struggle with AHC. AHC had not yet (as of June 1) approved a single unit for 1971. The conflict is said to be over the use of the proposal call technique. AHC apparently has threatened to "cut them off at the knees" if they do not accept tender call. Mayor Sykes and City Council refuse to consider tender call. It is likely that these procedural arguments relate to the province's desire to take over the program.

A-1-b-4 - Neighbourhood Reaction to Public Housing

The city has run into the problem of neighbourhood hostility to a project in only one case, Shaganappi. The other projects have been in new developments, very small and well integrated or downtown (no neighbours). The Spruce Grove residents complained that the Shaganappi site had been promised to them as a park. In August, 1969, they submitted a petition to Council outlining their objections. The Director

of the city's Housing and Urban Renewal Department attended at least a dozen community meetings trying to explain the project and win the acceptance of the Spruce Grove residents. In order to bring the community into the project, he talked the partnership into providing, on the project grounds, a tri-service centre (library, day-care centre and health unit). As a result of the project being built in the area, Spruce Grove is getting a new addition to its school. Residents have been demanding this for some time. Eight months ago, Housing and Urban Renewal got \$12,000 from Council for an off-site teenage recreation centre to integrate the project's teenagers with other teenagers in the community.

The project now appears to be better accepted, although the two populations have by no means been integrated. The Mayor reacts to community hostility toward public housing by ignoring it. He beats down the reaction by shaming his opponents. In Council, he calls Aldermen who oppose public housing "bigots" and he will not allow "in camera" sessions. If Aldermen are going to be bigoted, he maintains, then they must do it out in the open. As a result, there is little opposition on Council.

A-2 - Operating

A-2-a - Provincial Position on Tenant Associations.

AHC's attitude toward tenant participation in public housing is quite ambivalent. They prefer to see the tenants of public housing assimilated as much as possible into the community around them. The newer areas of all municipalities are organized on a neighbourhood basis, and land is set aside for a Recreation Centre for each neighbourhood if the citizens desire one. The province, municipality and community all contribute to building the centre. The neighbourhood

residents are encouraged to organize a Community League, which is responsible for all recreation in the neighbourhood. In New Delton I, (FPI) occupied August, 1970, 19 out of the 36 families have joined the area League.

AHC does not at present or in the future intend to support tenants' associations (financially or otherwise), although they could not forbid the formation of such associations. In the opinion of AHC officials, renters, particularly those of low income, have not contributed as much to society as have owners and thus do not have the same right to claim a voice in the planning or operating of their house. In one's words "a tenant has very few rights compared to a landlord, because the tenant has not put out a comparable cash outlay, he is not the investor. If a person owns something, he should be able to do what he wants with it". Following this line of thought, he believes that if a public housing rent to ownership project was being put up, AHC would consider that the prospective tenants, as eventual owners, would have more of a right to claim a voice in the planning and operation.

AHC has instructed the Chairman of the LHA in Edmonton that it must not solicit tenants' groups. AHC is not prepared to fund the LHA or broaden its terms of reference to include these functions. AHC wants the LHA to carry out a strictly managerial role. It does not want them "meddling" in policy or design considerations.

A-2-b - CMHC Branch Office Position on Tenant Associations
(Edmonton, Calgary)

The CMHC Branch Office in Edmonton claims to be in complete agreement with the Head Office policy guidelines, which provide financial support for such organizations (and thus implicitly approve and encourage the organization of

the same). The Branch's argument in defence of their lack of active support is that they have an unwilling partner - AHC. The Branch is somewhat embarrassed by the position of the province, but will give no encouragement or support to tenants' associations, as such action might jeopardize their relationship with AHC and the provincial government. However, the Branch believes that the "problem" could be avoided if the LHA were able to maintain a benevolent and sympathetic management situation, which would make tenants' associations unnecessary.

The position of the Calgary Branch concerning the encouragement and support of tenants' associations is somewhat similar. They see little purpose at all, and no need, for the formation of such groups.

A-2-c - Municipal Position on Tenant Associations

The ECHO Director believes that tenants on the waiting list for public housing should be drawn into the planning of future projects, but he is perplexed as to how to put this idea into practice. He also believes that tenants' organizations, when desired by the tenants, should be encouraged and supported financially. The Director of Calgary's Housing Agency thinks that because of the size of the Shaganappi project (564 units), a tenants' association could perform a useful function.

A-2-d - Edmonton - L.H.A. - (Operations and Policies)

The Edmonton Local Housing Authority (EHA) has a comparatively progressive, tenant-oriented board. In contrast to the Calgary Housing Authority, the board is open and willing to answer outside enquiries about its operations, admits to the problems that do exist, and is anxious to expand its role.

The application and tenant selection procedure is quite straightforward. Applications are broken down by family size (and number of bedrooms required) and graded for urgency. The majority of tenants are Caucasian with English-Scottish-Irish names. The Board members think that perhaps some minorities are reluctant to come forward. They may not understand or are not aware of what is available, or they may find the concept "alien". However, the Board is reluctant to act too aggressively in searching our hardship cases that do not come forward voluntarily, because their waiting list is so long (2,595, of which 60% qualify).

In any case, the LHA now works in conjunction with the Department of Health and Social Development (welfare), health nurses, community workers, the Native Communities Associations. These groups inform those in need about the LHA, and may send in reports on these families. In the last month, the LHA received about 20 applications via these sources. In general, the applications referred to above are from larger families and the very poor. The Board begins choosing families about 2 months ahead of the completion of a project.

The Board, in selecting tenants, considers suitability - place of employment (location), income level, and urgency. Families are listed as vital, urgent, can wait and no. A family's need may be considered as vital or urgent because they are being evicted, their house is being demolished, their house is unsafe, they have a large number of children, health problems or a very low income. The Board in filling a project tries to keep a balance of welfare families, single parent families, married couples with children. They are divided on the issue of whether elderly people should be mixed in with families.

This year, they have hired a student for the summer to assist the Manager with interviewing applicants. She will

visit applicants in their homes when a house inspection is necessary. The Manager will still interview all the applicants in his office. The Board sees no one. The Manager sits in on selection meetings and gives a subjective report on each family. The Board does not use the point scale. They prefer to make an "overall" judgment on each case. They are most concerned that applicants not be picked apart on their housekeeping habits, marital problems, etc. However, they did state that they choose families who have the potential to be rehabilitated. They believe that families with unmanageable problems would likely cause friction with their neighbours in the project and in the community, and make the acceptance of public housing by the community even more difficult.

It is now a year since the first project was occupied. Two families have moved out during that time; one into experimental housing, the other into a regular semi-detached house. The latter moved out voluntarily when his income went up, although he could have stayed for another year. He felt that it was only fair to give his unit up for someone who really needed it. However, most families cannot afford to move into any other type of accommodation. So far, there have been no evictions. The Board expects to evolve a policy as one is needed.

The major complaint from tenants has been "lack of privacy". Backyard fences are being constructed now to attempt to alleviate the problem (there are fences, but they are knee high - the children can easily hop over them and the neighbours see in). The Board has had numerous complaints about design and construction of the projects (most of which are 35A and Head Office design). "The rooms are extremely small and thus crowded. The bathroom fixtures and light fixtures are of poor quality. There are no storm doors (in Edmonton!). The cupboard doors in the kitchen are made of press board. The walls are paper thin."

Builders seem to have a casual, off-handed attitude toward these projects and poor craftsmanship results. (These complaints are quite a contrast to those of the Deputy Minister of the Department of Municipal Affairs, who complained that the design and construction standards for public housing are too high). The Board thinks that the design cuts, which will be required as a result of the \$15,000 limit, will result in higher maintenance costs and future ghettos. More damage has resulted in the occupied projects from poor construction than from tenant misbehaviour. The Board would like to be included in the designing of projects.

The EHA and the manager maintain a very benevolent attitude toward their tenants. The tenants have been allowed to fix up their basements - paint and build - as they desire. Although it is against regulations, they have been allowed to build an extra bedroom in the basement with the understanding that what they build belongs to the EHA when they leave. In one project, tenants have also been given the option of choosing their own fencing from three possible designs. The units are officially inspected once a year. Tenants are allowed to entertain guests for up to two weeks without requiring permission. Rents can only be raised every 2 years.

A tenant-caretaker programme was established in three projects in 1970 and is working out well. The caretaker, who is also a tenant, has basic tools and equipment and can handle minor maintenance work - indoors and out. As well, he serves as a liaison between the tenants and the EHA. The tenants are able to relate easily to this person and they take their complaints and problems to him. Many of these can be solved on the spot, freeing the housing manager from having to check out minor complaints. Because they are also tenants, the caretakers take pride in their project and encourage their fellow tenants to do the same. The caretaker is in a position to observe and give the EHA immediate feedback on any trouble

that is brewing, such as a group of youngsters with nothing to do, or a family or individual with a problem. The Manager can then move toward a solution before the problem becomes a crisis.

The cost of the program works out to \$1.00 per unit per month. The caretakers only work part time. With the larger projects, it may be necessary to hire a tenant full time. There have been no complaints from neighbours about tenant behaviour or property management in the three projects which have tenant-caretakers. There have been apologies for prior bigoted attitudes and hostility toward public housing tenants. The Housing Manager places a good deal of the credit for this effective response with the tenant-caretaker programme.

The first public display of tenant participation in Edmonton, of which everyone from the Regional Supervisor to the Housing Manager seems inordinately proud, occurred in September 1970, when tenants from New Delton I (FPl) project hosted the opening of their project and of public housing in Edmonton. In one project, tenants are talking about starting a food co-operative. The EHA wants to keep the responsibility for organizing and operating associations and co-operatives with the tenants. It would prefer to act as an enabling agency and a resource pool. In a similar vein, the EHA (supported by ECHO) decided that in their large project, Dickensfield I (134 units to be occupied in August) rather than put in the recreational facilities now included in public housing projects over a certain size, they would wait until the project was occupied to find out what the tenants wanted and then build a suitable structure in accordance with the recommendations of the tenants.

The City of Edmonton is somewhat atypical with regard to its public housing, in that no tenants' associations

exist nor have there been any tentative beginnings of an association. One of the reasons public housing tenants have not formed a tenants' association is that there have been no overwhelming problems that would provoke the formation of such an organization and because of the paternalistic attitude toward tenants on the part of the LHA Manager. The Manager is young, good-hearted, sympathetic - the antithesis of the ex-Mountie in Regina or the strict businesslike Manager in Calgary. He wants the tenants to organize in order to solve their own problems and order their own lives. However, his informality, assurances that all problems would be corrected, organizing of tenants' meetings and personal assumption of responsibility have effectively blocked the formation of an organization.

Public housing tenants in Edmonton could perhaps benefit from the hiring of a tenant relations officer trained as a community worker and organizer. However, AHC would probably react negatively to such a role for a tenant relations officer.

A-2-e - Calgary - LHA - (Operations and Policies)

The LHA in Calgary is now managing 800 units. Unlike the Edmonton LHA, the Calgary LHA carried out no need and demand studies. In the selection of tenants, the LHA follows the federal guidelines for eligibility. After an application is received, an interviewer from the administrative staff sees the applicant. The point scale serves to establish the emergency of the need. They also do a credit report, phone the landlord, and do a history of "attitudes", but claim that none of these are qualifying factors. The selection process is done by the Board as a whole. There has been only 1 eviction in 1½ years and the turnover rate is 7-10 units per year. According to LHA members, the relationship of the LHA with its tenants is very good. They have 7 days a week

emergency maintenance service, and at Shaganappi they have staff people on site. The LHA does not impose regulations not found elsewhere and does not provide special services, like cutting the grass. Tenants must have permission before changing or building structures.

A tenant relations officer has recently been hired. The Chairman of the LHA is disturbed by the fact that in the case of a number of families in their project, the wife has started working after the family has moved in, substantially raising the family income. However, because of the moratorium, the rent cannot be raised for a period of 2 years. Also, both parents working results in school age children being unsupervised for certain periods of time (after school, etc.). The Chairman believes that this is very destructive to the maintenance of a project and, for this reason, he allows only one parent to work in his L.D. projects.

The Mayor has attempted to get the LHA to treat public housing tenants as ordinary tenants, but says that the LHA takes the attitude that they are doing public housing tenants a favour by letting them live in public housing and that, as a result, they should be properly grateful. He dislikes what he calls the LHA's "nit-picking" rules, their practice of making all tenants, even senior citizens, come to the LHA office to pay their rent, their often slow or indifferent response to "maintenance" and repair complaints, and the lack of respect for the tenants shown by the inspectors. He accuses the LHA of high-grading tenants and says that a member of the City Housing Committee has had cases where units were kept empty waiting for a preferred tenant. The Mayor himself decided that a tenant relations officer should be hired. The Housing Authority has not yet decided what her role should be and appears to be somewhat uncomfortable about her presence.

CMHC bears 1/3 of the responsibility for the choosing of an LHA, yet it often does not appear to exert its equivalent influence on the rules and regulations according to which an LHA operates in relation to its tenants. If CMHC is really concerned about the needs and the rights of public housing tenants, it should make clear its position to the province and city as well as the LHA's management and exert pressure on LHA's to implement its guidelines.

B - Section 16 - Limited Dividend

B-1 - Planning and Procedure (Edmonton)

Although the rule of limited profit no longer applies to the entrepreneurs who build the low-rental projects under this section, in the interest of clarity the programme will be referred to throughout as Section 16 L.D.

In Alberta, Section 16 L.D. is a favourite of the Branch Office (CMHC) and the developers. It creates housing stock and so is readily acceptable to the city and province. It is disliked and soundly criticized by those like the Edmonton Citizens for Better Housing who are witness to the complaints of L.D. tenants.

The Edmonton Branch is an exception to most branches, in that it carries out an independent assessment of need for this section of the NHA. They use four indices: 1) vacancy rate; 2) rent levels; 3) builder proposals and 4) waiting lists. The Branch uses this data to determine whether to increase, decrease or sustain the present budget.

Basically, the processing of an L.D. application consists of 5 steps:

- 1) Land identification, whereby the Branch and the city decide whether the land selected is acceptable for such a development;
- 2) Presentation of preliminary sketch plans, which evolves into a joint exercise between the Branch and the developer;
- 3) Cost estimates by the developer and by the Branch (value by costs), and appraisal by the Branch (value by income);

- 4) Negotiation of rent levels;
- 5) Presentation of final design plans; ...(and approval).

When the Branch is negotiating the levels of rent with the developer, they go through the costs of amortizing the loan and the costs of managing and maintaining the project. There are three areas where there is room for negotiation - vacancy loss, management costs and yearly equity return. Vacancy loss is usually set at 4% - 5%. In Edmonton L.D.'s, the vacancy rate is almost nil, so the developer is asked to reduce this cost to about 1% or 2%. Because they choose large developers who already manage many rental units, the Branch is able to bargain the developer down 2 or 3 percentage points on management costs from the usual 5% of gross rents. The equity return is also negotiated and, depending on the situation of the developer, can vary from 2% to 10%. Usually, if the developer demands a high equity return, he is required to shave his percentage on management costs and vacancy losses.

The developer is responsible for tenant selection. The Branch sets the income levels. The developer is supposed to require proof of a tenant's income as well as a formal declaration, but there is no check on whether this is done. The Branch checks the developer's records for all new tenants and, thereafter, checks 1/3 of all tenant incomes again by checking the developer's records for the project.

There are about 5 major developers who build most of the L.D.'s in Edmonton. The relationship between the developers and the Branch Office is informal, close and profitable. As soon as the new fall budget is in and the monies available for L.D. identified, the Branch approaches the various developers which it thinks are capable of building and managing an L.D. project. The L.D. budget is not made

public. The Branch believes that widespread competition is not essential or really possible because of the shortage of land. As it is, they encourage competition among their group of selected developers. The Branch is concerned with getting the maximum (quality and quantity) product for the least cost. It is Branch opinion that the major developers, who are likely to own their own construction company (perhaps even their own lumber company) and to have a large number of units already under their management, are in the best position to build and operate a project for the lowest cost and will thus be able to offer the lowest rents. The developer can build the project cheaply because he can supply his own construction equipment and building materials. As for management, he simply adds 100 or so units to those he already manages. They admit without hesitation that it would be extremely difficult for a new or small developer to break into this "charmed circle".

A new Section 16 programme has been announced for this year. 575 units are to be built in Edmonton, aimed at people with incomes of less than \$6,000. A panel of people who qualify for the housing will sit as a jury to discuss the proposals and decide which are to be built.

B-2 - Advantages and Disadvantages

Section 16 L.D. is an attractive proposition for a developer. The NHA interest rate on the loan is lower than the market rate; moreover, a "rental" loan on the market will cover approximately 85% of the cost, while an L.D. loan covers 95% of the cost. However, the cost is usually appraised, so that the loan covers 100% of the capital cost and the developer does not have to put in any of his own money, i.e. mortgaging out. There is no formal limit on operating profit, but the Branch has set their own limit at about 10% per year

(subject to variation). The Branch allows the developer to realize a construction profit (10% - 15%).

The complaints about the L.D. programme and projects are numerous and some reveal a distortion of the programme's purpose. Many of Edmonton's L.D.'s (the older ones - pre-1964) are ugly, boxlike structures with no trees, grass or playground space. As a result, there is more stigma attached to living in an L.D. project in Edmonton than to living in a public housing project. These ugly structures created a bad impression and hostility towards low rental or low cost housing of any sort. However, the complaints concerning L.D.'s include more recent (and more physically attractive) projects.

The Housing Manager of the EHA and the ECBH say that they receive numerous calls of complaints from L.D. tenants, but can do nothing about them. Apparently, in some maintenance is very poor. In others, the Managers are strict and dictatorial. The answer by the management to tenants' complaints is an offer to leave. There is, of course, no encouragement, support or funding for tenants' groups in L.D.'s. There is hardly any turnover and there is a waiting list of 2 - 3 years. According to the ECBH, several developers have an unwritten policy that they will not accept large families or tenants who are on social assistance. One developer has single couples living in 3 and 4 bedroom units. His argument is that he had to put a quota on the number of children the project can hold, because of limited playground space.

The Branch Office, when contacted (by the Department of Social Services in one case, and an executive member of the ECBH in another) has stated that there is nothing it can do about such unwritten rules.

Embassy Bros. have one L.D. under construction (108 units of 1 and 2 bedrooms). In selecting tenants, their

criterion will be a steady income and sound credit rating. They do not believe that welfare families belong in public housing or L.D.'s, but will consider accepting some welfare families if they are not "problem" families. Their preference is for single couples or couples with 1 child. Embassy Bros. is considered to be the most "socially conscious" development corporation in Edmonton.

B-3 - Operating (Two Case Studies)

Two Section 16 L.D. projects in Edmonton were researched in depth. Tenants in both L.D.'s had complained to the ECBH about management practices in their project.

B-3-a - Creston Place (L.D.)

Creston Place opened for occupancy in November 1968. It consists of 146 units of row housing attractively designed. The developer and owner is a Mr. Wiedman of Murray Hill Development Corporation.

One couple interviewed had been given an eviction notice. They were given three reasons for being asked to leave. The sidewalk was not shovelled (snow), their furnace filter had not been cleaned for several months, and the inside of the stove was grease spattered. These accusations, except in the case of the sidewalk, were based on the evidence of one visit. After the Manager had given them notice to vacate, he went around to their neighbours asking if there were any complaints, in an effort to obtain evidence for the court case.

Other tenants also had complaints. Three bedroom units were said to be occupied by childless couples and families with only one child. Rules were enforced according to the whim of the Manager. In one case, a relative who paid

no rent was asked to leave; in another, a working relative was not disturbed. When complaints regarding the Manager were made to the owner, he refused to intervene. There were also complaints about over-income tenants, a substantial number of whom were policemen.

The Manager would not allow any form of tenant participation whatsoever in the management of a project. As far as he is concerned, tenants have no "rights". In his own words, "If a tenant wants to live as he pleases, he should go out and build his own house!".

B-3-b - Gladner Developments

The second L.D. project looked into was Gladner Developments, a 236 unit project built in the early fifties. The project was owned by Mr. and Mrs. Moutard, now dead. It is unclear who owns it now. It is managed (and perhaps owned) by Mr. A. Knight of Park Management Ltd. Mr. Knight is also the Chairman of the Calgary Housing Authority.

Rents are very low in this project - \$63 for a 2 bedroom, \$73 for a 3 bedroom. The income limits are \$6,500 and \$8,500 and a tenant has to sign an income declaration every 2 years.

The units are in rather good condition, considering their age, although not very attractive in design, being rather box-like and with few trees or shrubs. However, as in other L.D. projects, trimly cut green grass appears to be very important. The children are not allowed to play sports, such as baseball, on grassy areas of the project. Until a year ago, the 236 unit project had no recreational equipment at all. There is now a small playground with a slide and swings.

The superintendent believes in charging tenants for any damage, even if it is a token amount. However, he does not charge for fixing something that is not working. There is an unwritten requirement that if a fixture has to be replaced, the tenant has to buy it from the superintendent.

The original owners, the Moutards, wanted only single income families in their project, since they believed that a single income family is more needy than a 2 income family, regardless of total income. The Moutards also believed that the children of a family should be under the continual supervision of a parent. The result was a regulation, still in force, providing that only one parent may work. Full-time or part-time babysitting on a regular basis by any women living in the project is forbidden. It is considered secondary income. It is thus not possible for one woman to work part-time and have a neighbour baby-sit for her.

The project has other unwritten rules. If a guest is going to stay a week or more, the tenant has to get permission from the Manager's secretary (in public housing, tenants can have a guest stay for two weeks without asking permission). Washing cannot be hung out on Sundays.

Because of the low rents, most tenants are enjoying a standard of living which they could not maintain if they had to live elsewhere and pay higher rent. They do not want to leave and they are thus afraid to complain.

The management is very strict about whom they will allow in. They do not take single-parent families or those on welfare (although they will not evict such families, if they acquire this status after they have moved in) or Métis. They do not let families take in foster children because this is considered to be a second income. The lease is month to month.

There are two clauses in this document which are relied on to cover the regulations discussed earlier; a clause stating that the dwelling can only be used as a private dwelling (therefore no babysitting) and a clause which states that the tenant must comply with all by-laws, rules and regulations of every municipal or other authority, which in any manner relate to or effect the demised premises (women cannot work).

There is only one L.D. in Regina, Saskatchewan, and it is managed by Mr. A. Knight. According to the CMHC Branch Office, it is managed very strictly; women are not allowed to work, yards and porches must be kept constantly clean and tidy or immediate eviction results. The project grounds are spacious and the grass very well kept. It was not possible to discover any more details about the management of the project because the superintendent has been instructed by Mr. Knight not to give interviews to the press or to any "outsiders".

Mr. Knight believes that single-income families are needier, that kids should not be allowed to run around, that day-care is a questionable way of looking after children, that the Moutards put their own capital into the project and, therefore, should have the right to impose their philosophy on these people for whom they are actually carrying out a needed service (providing low rent accommodation). It frustrates him that he cannot manage public housing in the same way he administers his Section 16 units.

B-4 - Recommendations

The attitude of the Managers in these two projects seems to be that because these tenants are getting accommodation at a cost lower than what they could on the open market, they should be properly grateful, obey all rules and regulations

without question and refrain from any "trouble making". The less docile tenants live in constant fear of eviction. All leases in Section 16 projects in Edmonton are month to month. Tenants are afraid to complain publicly or form tenants' associations because they fear such action will lead to immediate eviction. They cannot afford to take legal action. They are caught in a bind because of their low incomes. Eviction means paying higher rent or living in worse accommodation. Thus, they keep their mouths shut.

In Alberta, tenants in Section 16 L.D.'s have imposed on them a higher degree of control over their activities and lives than do tenants in public housing. Tenants in L.D.'s have less security than those in public housing and there is much less public concern with, or protection of, their rights. CMHC is not doing low-income people much of a favour if it provides developers with loans to build low-rental accommodation, and then washes its hands of interference in odious management practices, which cause tenants to live under abnormal constraints. Regulations concerning tenant selection and management should be introduced and enforced. The developer should be prohibited from discriminating against welfare cases and larger families. The CMHC Branch should carry out annual inspections of projects and check on the number of people/unit. CMHC should also be prepared to check out complaints concerning "too high" incomes and under-utilization of units. Although it is difficult for CMHC to exert any control over management practices which are allowable under Alberta's Landlord and Tenant Act, it can exert pressure on owners and managers to change these practices, instead of condoning or even supporting them as it does in Edmonton. If a developer is still building L.D.'s, the Branch can threaten to cut him off from receiving loans in the future unless he changes management practices in his other L.D.'s.

C - Section 16 - (Non-Profit)C-1 - The Branch

The Branch's (CMHC) main concern with Section 16 (non-profit) applications is that the sponsoring organization be financially reliable and either have experience in management or be willing to hire good management. When the applicant first comes in, the Branch checks his costs, and then the architect begins to work out the design plans with the applicant's architect. When the costs have been identified and the design plans finalized, formal application is made. The Branch considers the applicants' intent as well as their finances. They are looking for reasons to approve. The Branch has had only "reliable" applicants, mostly church groups. These groups have all been managing housing or in service type facilities for some years. The Branch would consider a charitable group like the Kinsmen acceptable and reliable. It would be difficult, according to Branch officials, for a newly organized or non-establishment group to get an application approved. The Branch would consider such an "unstable" organization as a bad risk for a loan. However, there might be exceptions and they, of course, consider each application on its own merits.

The Branch has not considered what their reaction would be to the use of Section 16 (non-profit) for purposes of family housing.

C-2 - The Province and the City

Until recently, the Province built all its senior citizens' projects under its own Foundation Programme. Several municipalities together or one large municipality would form a Foundation with a board of directors to administer senior citizen projects. The Province received

application from the Foundation and funded approved projects by a 50% grant. They used no CMHC funds. By 1969, 70 projects had been completed under this programme. The City of Edmonton provides the Greater Edmonton Foundation with a tax forgiveness subsidy. This subsidy, which includes the Municipal, School and Local Improvement Taxes, amounts to an average of \$38 per unit per month. After 1969, the Province began to take part in the Section 16 programme for the building and operating of senior citizen projects under the auspices of non-profit organizations. Projects which consist of self-contained units receive a 33-1/3% provincial grant and a 61-2/3% loan (of capital cost) from CMHC. Projects which consist of hostel beds (dormitories) receive a 50% provincial capital grant and 45% loan from CMHC. The grant is greater for the latter type because, since the operating costs are higher, the province believes the mortgage payments need to be lower. AHC did not explain why it switched to Section 16, but the most likely reason was so that it could reduce its financial contribution and take advantage of federal funds.

AHC feels that the subsidies are too costly to house the elderly in public housing projects built specifically for them. They insist that AHC has based its policy on the understanding that senior citizens are being adequately housed under the Section 16 non-profit programme. The Director of ECHO does not agree. Non-profit projects must break even or receive a subsidy from the sponsor. Thus, the rents are higher than in public housing. As a result, the city is catering to the genteel poor.

City officials believe that senior citizens with no other means of support should be housed in rent-geared-to-income projects developed under Section 35A or 35D NHA at rental rates which still allow them purchasing power for the other essentials in life.

The city is attempting to encourage non-profit organizations to become involved in senior citizen housing by providing land sites, which the city owns, leased at \$1 per year or sold at well below market value to the organization. They hope by this means to lower the necessary loan (and mortgage), so as to allow for somewhat lower rents. Those senior citizens who are "poor" and "struggling" are living in rooming houses, basement suites, crowded homes. Many of these rooming houses and old hotels are being torn down to make way for stores and high-rises. These senior citizens cannot afford the rents charged in Section 16 N.P. projects. AHC is not opposed to a mixed community, i.e. a public housing project, which contains families as well as the elderly. This is what Calgary has done. It has housed families on the bottom two or three floors of a high rise.

However, ECHO questions whether the elderly are comfortable in such a mixed community or whether they find the extra noise and confusion too stressful. AHC is building a senior citizen high-rise, called Kiwanis Place, under Section 16(N.P.). The high-rise has 272 self-contained units and a 71 bed hostel on the main floor. The provincial government is contributing a 33-1/3% grant to the capital cost and AHC is responsible for the loan. The Province will hold title to the land and buildings. The city has no equity in the project, although they provided the land for the project (valued at \$400,000) for free. AHC would only sponsor the project if the municipality agreed to accept all operating losses.

The need was so great that Council agreed. The Director of ECHO maintains that the city is getting "rooked". Although the units will be rented at the maximum allowable under Provincial scale (\$80/month - bachelor unit; \$110/month - one bedroom unit), the operating deficit will be approximately \$46,000 /year.

The city has acquired a block of land, on which it wants to build a senior citizen project (115 units), a senior citizen hostel, a hospital unit and a service centre. They would like to use 35D, so that the rents could be lower and the city could be relieved of the burden of carrying the operating losses. They would not bring the rents down to the public housing rent-to-income level, as this would be too slow, but would set a predetermined rent. The province has refused to let them use 35D. The city cannot afford to use Section 16, but neither can they afford to do nothing. It remains an unsolved problem.

There is a shortage of senior citizen housing in Edmonton. AHC prefers to build under Section 16 and the city has to assume the operating losses. AHC has built under 35D for senior citizens in Calgary, but only in projects designed for small families and younger couples, as well as the elderly. ECHO has not accepted integrated projects.

D - Assisted Home Ownership and Low-Cost HousingD-1 - The \$200 Million Programme in Edmonton

Edmonton acquired 322 new "condominium" housing units under the \$200 million programme in 1970. One project, Londonderry, consisted of 300 units (row housing) on one block of land - 91 two bedroom units selling at \$13,200, and 208 three bedroom units selling at \$13,700. The other project, Sabra, consisted of 22 three bedroom units scattered on 5 sites selling for \$13,800 each. The eligible income level for the large project was set between \$3,890 and \$5,492 and for the small project between \$4,100 and \$5,840. However, they had to raise the maximum to \$6,500.

There are, it seems, very few families at the minimum income level. Families are either on social assistance or are above \$5,000. When a family is at this level, it is usually non-typical - a deserted wife with children, or two single women living together. Apparently, "non-typical" families were not acceptable. Two-thirds of the units in the Londonderry project have been sold. Only 2 of the families have incomes at or below \$4,000. Most of the applicants and most of those accepted have incomes in the upper half of the scale. The interest rates and mortgage period are scaled to income. CMHC subsidized the interest rate down to 7½%, and AHC contributed another 2%, bringing the interest rate to a possible minimum level of 5½%.

After Mr. Andras announced the \$200 million programme, a 3-level (government) committee was set up to review the various proposals. Few of the proposals for the Edmonton area were innovative or experimental. Most were an exercise in increasing density and getting around zoning by-laws. The fact that the 2 projects approved in Edmonton used the condominium method can hardly be considered innovative, other than the fact that most condominiums have been aimed at a higher income group.

The committee's main criteria were that the area had the public facilities to support the project, that the location was suitable and the selling price low.

Embassy Developments, who built the Londonderry project, knew of the \$200 million programme long before it was made public. According to one of its officers, Embassy makes it a practice not only to listen to what the Minister says, but how he says it, and hints had been given that something was very much in the air. Moreover, the publications by the National House Builders Association were full of speculation concerning a pending programme. Embassy looked at their various sites and talked the matter over with CMHC. By the time the programme was announced, they had their proposal (design and cost) prepared.

After their proposal received committee approval, Embassy was faced with a storm of criticism from neighbourhood residents. However, the residents were unsuccessful in blocking the project and City Council granted permission for the development. There have been no further protests from citizens. Prospective home-owners were checked out by Embassy Development by means of a credit report and a letter from the individual's employer (stating salary, position and work record). This checking process will not be used in the case of resale. CMHC said it was too difficult to handle administratively, so that when a unit is resold the interest will be the regular 9½% and there will be no restriction on the income level of the buyer.

The Branch foresees particular problems, especially with Londonderry, because the projects are condominiums.

They feel that the problems are compounded by the fact that the people are of low income and a racial and ethnic mix. The new owners will have to elect a Board of Directors,

who will be responsible for physical maintenance, project behaviour, collection of assessment charges. The Branch insisted that the developers write in a clause that the Condominium Corporation must have (hire) professional management. With a middle or high-income group, they would not be so concerned, but they do not think that a low-income group will have the necessary professional skills within their group. There is also concern that, because these low-cost units are a good rental risk, the project is very susceptible to the problem of absentee landlords who might not keep up their property or take an active interest in the operation of the condominium. Also, because there are no regulations against an owner renting out his unit, the fundamental reason for the construction of the project - home ownership for low-income people - could be subverted. However, these may be unfounded concerns. With the help of professional management, there is no reason why a socially mixed group of poor people should have more problems with a condominium than a middle class group. Also, units have sold quickly (once the maximum was raised to \$6,500), indicating that the desire for home ownership is high and that a concern over the problem of immediate re-sale is perhaps needless.

D-2 - Evaluation of the \$200 Million Programme (in Edmonton and Calgary)

Whether or not the \$200 million programme was successful is still being debated. It did bring developers into the area of building low-cost housing units for sale, and it has provided a certain number of low-income people with the otherwise unavailable luxury of home ownership. According to Embassy Development, developers would be quite willing to extend their participation in low-cost housing programmes if the government put emphasis and funds in the area. While the developer reaps a lower profit than he does from more expensive housing, some profit is better than no

profit, and if the government is aiming its housing monies at the low-income group, that is where developers will go. However, municipalities may be reluctant to see low-cost housing projects go up in their area because of lower tax revenues.

The Mayor and the Chief Commissioner expressed great displeasure at the fact that the City of Edmonton was given only 3 weeks lead time before the public announcement of the \$200 million programme. The developers came in with their proposals claiming that they were low-cost and innovative. Because time was so short, the city had to take their word for it. Officials say that what they ended up with were projects of high density, small rooms and cheap materials, which will have a bad effect upon the environment (of the occupant and the neighbourhood).

The administration felt obligated to push the projects, which they regarded as indefensible, through Council. If they had not done so, the money would have gone to Calgary. In the future, the city would like to know the programme budget for such housing at least six months in advance. Much of the experimental money intended for Edmonton did go to Calgary. Calgary had builders and developers who were ready and prepared to take advantage of the programme, and they had the necessary serviced land. Moreover, it was easier for a developer to bring in a low-cost home because land prices are lower in Calgary than in Edmonton.

D-3 - Future of AHC and Low-Cost Housing in Alberta

Low-cost housing and subsidized home ownership projects ended in Alberta with the close of the \$200 million programme. AHC has recently introduced a new programme by which they will act as last lenders, providing mortgage loans at cost to people who are below the conventional lending limit.

However, it applies to the middle-income (\$6,500 to \$10,000) group rather than the low-income. The AHC believes that Albertans have a greater desire and drive for home ownership than the people of any other province, and that Albertans are willing to put more of their income into mortgage payments than the usual maximum of 25%-30%. AHC would like to see a regularized CMHC programme providing funds at a lower interest rate for low-cost housing. In addition, they want a re-introduction of subsidized interest rates scaled-to-income. They would be willing to add to the subsidy, perhaps for the first five years of ownership, so as to bring home ownership within the reach of those with incomes below \$6,500.

The Branch Office is somewhat hesitant about the practicality of extending home ownership to the very low income (below \$4,500). Special assistance, such as reduced down payments and greatly reduced interest rates, are necessary in order for this income level to be able to afford to purchase a home. Such subsidies, they believe, induce these people to undertake a thing that entails expenses for which they do not have the necessary financial cushion. If one is going to extend home ownership to the low income group through subsidies toward the capital cost, it may be necessary to provide assistance for the daily and unexpected costs of maintaining a home.

However, the hesitancy of the Branch about assisting these people in purchasing their own homes seemed to go beyond a concern with their financial situation. It was said that this is a group of the public that cannot accept responsibility. They are not financially or psychologically mature. Thus, extra rules and incentives are needed in order to encourage maturity, so that they can manage responsibilities like keeping up a house. An alternative was suggested which reflects this viewpoint.

Their alternative is a lease-purchase system. The tenant would rent his unit and pay a little extra, which would go into an equity fund. If he is a good tenant and keeps up his property, thus saving the landlord service costs, his equity would continue to grow. If he was not a good tenant (for example, the landlord had to cut his lawn), the charge for such extra costs would come out of his equity. Thus, the tenant would see how good behaviour is beneficial.

Assisted home ownership, as a method of housing all but the very low-income, is the programme most acceptable to the AHC and the one that would receive the most support and co-operation. The City of Edmonton and the Branch Office are not as enthusiastic and would favour it more for that income group which is above the present public housing maximum income level. The City of Calgary is in favour of an extension of the programme.

E - Land Development and Planning

E-1 - Background

The City of Edmonton acquired a lot of land during the Depression. In the 1950's, the city was still the largest landowner in Edmonton. By selling off the lots it owned, the city acted as a regulator of land costs and kept the land cost down. There was a lot of pressure from private enterprise on the city to get out of what could be a very lucrative business. By 1963, most of the city-owned lots were gone. The speculators became the regulators and costs jumped. A few powerful developers had the available land sewed up. Only one subdivision was opened up at a time and builder-developers to stay in business had to pay the high land cost, which was passed on to the buyer.

The private sector places the blame for the monopolistic situation in land in Edmonton squarely at City Hall's doorstep. The city's Public Works Department does all the servicing of land. Private developers are not allowed to do their own servicing. Because of the limited manpower and budget of the City's Public Works Department, only one development gets serviced at a time. Apparently, there have been developments where the developer was ready to proceed, but the city was tied up in another area so that development was halted. Lack of serviced land has resulted in a lack of competition and developers have had to hold their land for long periods while waiting for servicing.

Developers argue that both factors have resulted in increased costs, and that if private developers were allowed to do their own internal servicing, several different areas could be developed and more lots placed on the market at the same time. The industry feels that such competition in previous years would have stabilized and lowered costs and made the Millwoods acquisition unnecessary.

In any case, by 1970, the shortage of available land and the high land costs had assumed crisis proportions. According to AHC, the Minister of Municipal Affairs took the initiative and went to the city, offering AHC funds for a land assembly programme under 35C. The city jumped at the offer and, as a result, the S.E. area (Millwoods) was acquired.

E-2 - Land Assembly Project (Edmonton - Millwoods)

According to the city, it was they who took the initiative. The Planning Department found a block of farm land (9 sq. mi.) in the South-East area on the city's rim. It was zoned for agriculture and not slated for residential development on the city's development plan, so that no developers had gone in. The City Administration had made an agreement with Council to report annually on any land they had optioned. This meant that they did not have to get approval for each option. The Chief Commissioner went to the province and asked if they would finance the acquisition of Millwoods to the tune of \$12 million. The province agreed to do so.

The nine square miles acquired represent the largest single land assembly project by any level of government in North America. Millwoods was financed through 35C. The land was optioned in secret before CMHC was approached for the loan. The reason for this unusual process was that neither the city nor the province trusted the Corporation to keep quiet and secrecy was regarded as essential.

The land assembly programme originated with a high level meeting between the Mayor, the Director of AHC, his executive assistant, the Deputy Minister of Municipal Affairs and the City's Chief Commissioner. The section to be assembled was chosen by the two senior city planners. Thus, only seven people were involved in the original planning. The amount

of land (enough to accommodate 84,000 people) was based on the anticipated population growth of the city. AHC was in charge of the assembly. They contacted the solicitors, who were told that they would be buying land for AHC, but that it was to be kept secret. The land appraiser, hired by the solicitors, worked under the handicap of not knowing the future use of the land.

The solicitors were given a price range within which they could negotiate. Anytime they had to exceed the maximum, they had to contact AHC and get permission. AHC believes that the farmers got fair value for their land. Most of the land was acquired by early November. The project was made public in early December, because it was beginning to leak out. AHC expected to assemble 50% - 60% of the land in the Millwoods area, and succeeded in obtaining nearly 80%.

The lawyer instructed to do the purchasing was briefed in August, 1969. He was told the matter involved a confidential land acquisition for AHC in the south east area. The acquisition was to be kept secret. No one was to know how large an area was being sought after for purchasing or who the actual purchaser was. Utmost secrecy was essential in order to prevent speculation.

The south east area was cut off from the city by a band of light industry and was itself zoned agricultural. Thus, no speculators had shown an interest in the area and the land was mostly held by the original owners (40, 50 years, etc.).

Some land was already listed by real estate firms. In these cases, the lawyer went through the real estate firm. For the first month or two, he went to them; after that, they started coming to him.

By the time the land assembly program was made public in early December, 75% of the land in the Millwoods area had been acquired by AHC. Further purchases were made, the last one being in January. All land was purchased under "offer to purchase", which means the purchaser had immediate equity. The offer to purchase consisted of 5% to 10% down. He claims that after the first few weeks, the farmers were anxious to jump on the bandwagon and sell their land. They were concerned about the proposed capital gains tax, which was expected to be part of Benson's White Paper. Moreover, it was a time of tight money.

The purchase price worked out to an average cost of \$2,000/acre. Prices of the land purchased after the programme was made public were still comparable. There were a few holdouts. Some of these have sold to private investors at higher prices. The solicitor feels that he saved a minimum of \$1,000/acre by purchasing the land the way he did (i.e. complete secrecy and direct contact with sellers).

The key factors in the success at assembling so much land (more than AHC had really expected) appears to have been that no one really knew what he was up to (some knew he was purchasing parcels of land, but not how much and for whom), that he contacted individually the owner of each parcel of land that he wanted to obtain, that he knew the name and type of every solicitor involved, and that he is a very good salesman.

Annexation by the city of the area appears to be a two-step process. The city has to apply to the Local Authorities Board. The residents of the area have to give their permission to be annexed. If there are any holdouts, a public hearing must be held. Moreover, a county government can appeal against annexation. In this case, they did appeal and concessions had to be made.

The agreement between the city and the province is that the city will buy the land over a fifteen year period. The city will do the servicing, and draw up the general plan. At least 5% of Millwoods will be reserved for public housing. The land used for public housing is to be contributed by the city for 50% of cost. It appears that the city plans to market the lots at a maximum of 10 per purchaser. In any case, individual purchasers of single lots will be given first choice for at least three weeks before developers will be allowed to buy. The province intends to ensure that developers pass on their land cost savings to individual home purchasers by requiring the developer to build a house for a certain price to which the land cost will be added. The mechanics of administering such a requirement have not yet been worked out. The land will be priced by subdivision, so that all the lots in one area will go for about the same price.

AHC says that the speculators who have been making large profits on land are unhappy, but the acquisition represents a break for small builders who can now get back into business. In the past, the few developers who owned all the land refused to sell any to the small builder, or would sell only at a very high cost. The large developers claim that the city cannot sell the land at the price which the city has stated that it will sell (\$4,000 - \$4,500) without heavy subsidies. AHC says that they can and will and that without the Millwoods acquisition, these large developers would have continued to run the market.

Within a week after the acquisition was announced, prices of individual lots in the city had dropped. Developers flooded the city's Planning Department with applications for development of new subdivisions in an attempt to beat the selling and development of land in Millwoods. Two other private land assemblies were carried out at the same time as

Millwoods. They were a 10-section assembly by BACM and a 10-section assembly known as Hermitage-Clareview. The city stated that Millwoods would be developed before those of BACM and Hermitage-Clareview.

Land in the Millwoods area would sell for \$4,500 per lot. \$2,500 of that amount would be for servicing. The maximum sale price would be \$5,000 per lot initially. Selling at this price would give the city a small profit. The city plans to market the land in terms of a maximum of twenty years. Servicing charges, including trunk sewers, will be charged against Millwoods under the Local Improvement Act. The trunk sewers and main service road will also serve an adjacent area, so that these costs will be shared. The city's transportation plan includes a freeway-access into the area.

They are simply pushing the timing of development ahead about 10 years. They have rapid transit planned for the area, if it ever gets approved. If the city decides the area needs another road it can, unlike a developer, build one. The city figures that through various measures they can keep control over the sale price. In the future, the market will help control sale price as the city sells off new land sections at a low cost.

Prior to the Millwoods acquisition, the cheapest lot one could buy in the least desirable location sold for \$6,500. The median price for an average lot was \$7,200, ranging up to \$9,500. In Edmonton, the average cost of a new home is \$14 per square foot, which comes out at \$15,000 to \$16,000 for a house. Thus, the cheapest house on the market, with land, would sell for \$21,500.

Millwoods is not a top of the line residential area. It will attract the low to middle income wage earner. The

low cost of land will have an effect on other peripheral developments like it - Clareview, Dickensfield, Hermitage, BACM, Sherwood Park, St. Albert, Spruce Grove, Leduc. It has had a stabilizing effect already, and in Dickensfield one developer has dropped from a minimum of \$7,500 to \$6,500. The CMHC Branch Appraiser expects the BACM lots to market for about \$5,500. He believes that, without Millwoods, developers would have been talking in terms of \$10,000 per lot for this land by the time it was ready to market to the consumer.

AHC and the city intend to promote a "mixed" community. However, Branch officials believe that a certain segment of the population will never go into a government subsidized land area, especially when it is in a "questionable" location. Thus, Millwoods will not likely have any effect on land costs in the highly desirable residential areas which attract the middle to higher incomes, and land costs in these areas will remain high.

The Mayor would prefer that the Millwoods land be leased rather than sold. However, the city needs the profits from the land sale for immediate financing. Leasing would be preferable because, as the situation stands now, the city has to sell land that it will need in the future. Leasing would enable the city to control future development and would provide long-term financial returns. The Mayor believes that people would put houses on leased land if they could get mortgages and the costs were no higher.

The city still has a problem with a shortage of land in already serviced areas. It hopes to trade land in Millwoods for land in the inner core. Now that the land market has opened up, the city plans to scatter its public housing sites in a number of areas. (The city is also taking advantage of new provincial legislation under the Transportation Act, which allows the city to acquire, 5 years ahead of its

scheduled development, land designated as transportation corridors. Under this legislation, the city is proceeding to buy up land and houses (through ECHO) and then renting the houses at below market rates to low-income families. The city also has under review a plan to set up a Land Development Company, which would develop and service raw land and then sell it to developer-builders.)

AHC will not use Section 35A for land assembly, because it requires much negotiation and, as the land has to be identified publicly, it encourages speculation. They prefer to use 35C as they did in the Millwoods acquisition. It is their intention under this section to offer a service to the municipalities. AHC will get its financing from CMHC to buy land. It will then sell the land to a city or put it on the open market as serviced lots.

If more land assembly monies (CMHC) become available, AHC will use them to buy land in satellite communities (inner city land is too expensive). Such a policy they feel would also help to counter urban sprawl. Their method of acquiring land in the future will be to first carry out a need and demand study, then present the report to CMHC, at which time the two parties would decide what land was to be purchased, and when. AHC would option the land and then go to whatever municipal council was involved.

AHC and the city favour land assembly to the extent that it is necessary to relieve a high cost land shortage situation. However, their intention is not to draw the government into the land development business as a competitor with private developers (or to put them out of business), but to force the private market to work properly by opening it up. The city is also concerned with the acquisition of land for the purpose of determining where new growth will take place.

The Millwoods Land Assembly should be studied by other provinces and by CMHC as a model for future projects under this programme. CMHC should tighten up its operating methods so that provinces and municipalities need not fear that involving CMHC in the early stages will result in leakage and loss of secrecy. CMHC should provide mortgages for houses on leased land if they are not available elsewhere and should provide incentives for a city to lease assembled land, perhaps by means of a reduction on the interest of its loan (on condition that the land be leased). CMHC should put more emphasis on its land assembly programme (both 35A and 35C). Land assembly is essential for rapidly growing cities if their development patterns and land costs are to be controlled at a reasonable level.

E-3 - Planning

Edmonton's Department of Planning has a well-developed, future-oriented programme for urban expansion. They have laid out six residential growth areas - the South East, the South West along the river, West Jasper Place, the North East and the North. In an attempt to humanize their city and avoid urban sprawl, they are employing a regionalization policy. Where boundaries make definition possible, (S.E.; S.W.), they are going to emphasize regional identification in these inner-urban communities of approximately 90,000 people through the strategic location of schools, community centres and business districts. The Department believes that the city has the capacity (land and amenities) to expand to a population of one million (rather than a half million as some argue).

The Department is planning growth in accordance with a unifying transportation plan that includes an expressway that will loop around the City, and a rapid transit system.

They believe that the city can afford rapid transit in a few years, well before they reach the one million population mark. The objections to the proposed rapid transit system are coming from the middle class, who have cars and find it hard to relate to the need for rapid transit, especially in a relatively small city where inner city traffic is not yet unbearable. However, the lower-income people depend on public transit and rapid transit makes their city accessible to them.

The Planning Department is concerned about the Municipality of Strathcona, a competing residential area just outside Edmonton, which could "grow into" Edmonton. Strathcona is governed by a rural-oriented Council who have little concept of urban planning. They do not want low-cost housing because it brings lower tax revenues. Edmonton wants to annex the area, but Strathcona refuses. Because of the presence of several oil refineries in their municipality, Strathcona residents enjoy a very low mill rate, which they do not want to lose. In the area of planning, the provincial government is most concerned with the concepts of regional government and satellite communities (green belts, rapid transit, etc.) They have recently (1970) completed a Satellite Community Study.

E-4 - Land Assembly - Calgary

Calgary has no land assembly because the Mayor disapproves of it. He believes that land buying is the prerogative of the private market and that the government should not be involved in it in any way (other than buying land for public needs, such as parks). Calgary is in the somewhat unusual position of having a plentiful supply of serviced land and comparatively low land prices.

F - Northern Housing

Alberta has a Northern Housing Programme which has been in operation for a year and a half. The objective is simply to improve the living conditions of the inhabitants, mostly Métis. Windows have been put in, roofs fixed, doors put in. Houses were not being fixed to NHA standards. About 200 houses have been fixed up. They are located in isolated rural, but not farming, areas. Loans are provided for those on welfare as well as those employed. If the occupants were on welfare, their welfare quota was increased to cover the costs of repayments on the loan. Monthly repayment and interest rate were calculated according to income.

Most had no collateral, so they had never borrowed before. The loans were made on the basis of a note. Many of the Métis had never heard of interest on money. Other Métis were employed to explain the programme. Because most Métis do not own the land that their house is on, AHC arranged with the Department of Lands and Forests for land tenure by purchase or lease. It took some effort for AHC to convince the other departments to take part. AHC is very enthusiastic about the programme, and plans to concentrate its second phase on growth centres. Loans will be for new housing and the rehabilitation of older houses. In addition, public housing will be built.

G - Co-operative Housing

G-1 - Provincial Position

AHC disapproves of co-operative housing as an alternative; the Branch knows little about it; and the cities are indifferent.

In 1968, AHC set up seven co-operatives, but the programme was a complete flop. It was aimed strictly at low-income Métis people. The families involved could not meet the payments and delinquency rates were very high. The financing was changed into a direct lending programme to each family. AHC believes that the co-operatives failed because these people were unable to handle their own finances, let alone a co-operative. Moreover, they are a very mobile people.

Albertans in general, according to the AHC mythology, are a highly individualistic mobile people who show little interest in any kind of co-operative effort (unions, etc.). Therefore, co-operative housing cannot be successful. AHC might consider as acceptable "building co-operatives", if they sold out to individuals as soon as they were completed. The type of co-operative in which everything is contracted out during the building process, and afterward is run collectively by a Board of Directors, (Sturgeon Valley Co-operative) is not approved of, especially for the low-income, since no money is saved in building and the finances are difficult to handle. Moreover, a co-operative does not enhance an individual's sense of identity and independence. Their arguments against co-operatives are based more on ideology than on logic or research.

G-2 - Sturgeon Valley Co-operative (Edmonton)

A group of individuals in the Edmonton area have plans for a large co-operative (500 units), the Sturgeon Valley Co-operative , to be located in St. Albert (a nearby municipality). It is their intention to include a variety of income levels - welfare to upper income. They have held two Charettes*, which were open to the public and included numerous "resource" people. Their co-operative is still in the formative stages and the group has not yet put in an application to CMHC. The Branch have left an invitation with them to come to the Branch for advice, but the Branch's opinion of the project is that it is too unwieldy and Utopian.

The Secretary-Treasurer of the Sturgeon Valley Co-operative claims that the unofficial reaction of the CMHC Branch to the Sturgeon Valley group is that of disapproval. They regard the group as loose and unbusinesslike, and do not think that they will succeed. The group has committed itself to a 27% component in the project of those on low or fixed incomes. To do this, they want to obtain a single mortgage for the co-operative itself so that each individual does not have to qualify. The Calgary group (Calgary Co-operative Association) had to accept individual mortgages for their recently completed project. They are able to take those with incomes above their range, \$5,500 to \$8,500, but not those below. Those above pay the regular interest rate on their mortgages rather than the lower preferred rate.

* (A "Charette" is a technique for studying and resolving developmental problems within the context of the total community planning needs. The technique requires a majority representation of community leadership of a multidisciplinary group...intensively studying community problems in an open public forum to achieve creative solutions.)

The Sturgeon Valley group has an option on a large parcel of land in St. Albert, a community just outside Edmonton. The Credit Union will loan them the money for the land (which they could then use as equity to get a building loan from CMHC), if they can raise seed capital. They are having a problem raising this money. The group has decided they need a "manager" of sorts to steer them through the next few months of organizing and setting up (the design plan is nearly ready) in preparation for actual construction. They can get someone who will work for expenses only. They would like CMHC to pay these costs.

The co-operative will have to put in its own servicing, but they are negotiating with a neighbouring developer, BACM, to connect services and reduce costs. In terms of shopping and recreation facilities, they hope to integrate their community with that of St. Albert.

The Sturgeon Valley Co-operative is welcoming welfare families, because they believe that many welfare families, especially single parent families, suffer from a real sense of isolation and a community like this would give them a sense of belonging. The Co-operative is looking for service clubs, church groups, etc. to cover the down payment (\$800.). The Department of Health and Social Development is willing to cover the monthly payments, which will be below market rent. It would seem that a non-profit group like the Sturgeon Valley Co-operative, that intends to house 500 families, 130 of which will be on low or fixed income, deserves consideration and "practical assistance" from CMHC (and AHC). CMHC should be actively assisting and, if necessary, bending rules (e.g. by providing the "single" mortgage), in order to get this project moving.

G-3 - Calgary Housing Co-operative Association

The Calgary Co-operative project is nearly completed. Some units will be ready this summer. The project consists of 380 units, back to back. The group incorporated on September 5, 1968. Because of the long delay between incorporation and the completion of the project, many of the original members have dispersed. The group hired a business manager to do the organizing and the legwork, after reaching a stalemate in getting their co-operative designed and contracted out.

The Calgary group formed what they called a "Mother" co-operative for 25 members which, upon occupation of the project, will turn itself over to the daughter co-operative, which will consist of all resident members. (The Sturgeon Valley group intends to involve the resident membership in the whole process, which makes the process more cumbersome, but more democratic.)

The Mayor of Calgary is against co-operative housing because the occupant builds up no equity. He thinks that the project will go "belly-up", and supported the project only because the Labour Council wanted to try it.

H - Housing Welfare Families

In Alberta, families on social assistance are housed in public housing projects, in government owned scattered units and in privately owned, government rented units. The vast majority are housed in the latter. The percentage of welfare recipients in public housing is 15% in Edmonton and 10% in Calgary, although AHC would like it kept to 5%. AHC has little sympathy for or interest in the welfare recipient beyond putting a roof over his head, a responsibility which the province does fulfill. They feel he has not earned the right to have the choice, the pride in ownership or the sense of independence which AHC is attempting or would like to institute for low income people.

The Public Assistance Branch sets no maximum on rent. However, it calculates a market rent (\$150 per month for a 3 bedroom unit in Edmonton) and encourages welfare recipients to find accommodation at this level. The Branch keeps an unofficial housing registry, but recipients must go out and find accommodation for themselves. They are provided with bus tickets.

In Edmonton and Calgary, from 1968 to November 1970 average rents jumped 25% for welfare recipients. Last year, \$23 million was paid out for rent for families on social assistance. Alberta's assistance levels per individual are higher than anywhere west of Toronto.

The Director of the Branch claims that they are getting soaked by the landlords, who know the Department does not set a maximum rent. There have been many cases where a landlord has raised the rent when a family has come on assistance, or when a welfare family has applied for a unit. However, because so many landlords refuse to accept welfare

families, the Branch cannot afford to antagonize those who do. The Department is not allowed to give cash to a family. They have to give them a rent voucher. As a result, landlords can always identify welfare families. The landlord sends the voucher in, and three weeks later gets his money. Landlords do not like cash. With the vouchers they can be sure that they will get their money. If a family is going to be on welfare longer than three months, they are given a monthly cheque out of which they pay their rent. Some landlords will not accept this arrangement, and insist on vouchers.

Recent trends show that welfare families are moving into apartments rather than single family dwellings, probably more out of necessity than choice, since the vacancy rate for apartments is higher than for single family dwellings. If a family owns a home and has to go on welfare, the Branch will take over the mortgage, providing payments are about the same as a monthly rent would be, rather than force the family to lose their home. They no longer place a caveat on the house when they take over mortgage payments.

In 1970, in an attempt to solve the problem of profiteering by private landlords, AHC initiated a new programme in Edmonton. They were to buy 100 houses and then rent these to welfare recipients (the Public Assistance Branch would, of course, pay the actual rent). AHC acquired 30. The rents they charged were higher than market rents. Moreover, they did not want problem families and they wanted the Branch to assume responsibility for maintenance (the Branch refused to do so). Some families could not afford to keep up to the maintenance standards demanded by AHC. The programme was dropped this year. AHC says that the programme is being monitored.

I - Miscellaneous

I-1 - City-Owned Scattered Units (Low Rent)

The City's inventory of approximately 600 homes are rented to individuals and families of low-income. On the basis of a survey conducted in the spring of 1970, the city found that of the families in these houses, 64% of the heads (of households) were employed, 25% were unemployed and 11% were retired. On the average, these city-owned units rent for approximately \$88 to \$98 per month. The city's inventory of homes was purchased for future transportation corridors and long-term parkland requirements, with the majority of financing provided under the Provincial "Land Loans Act".

I-2 - Housing Transients and Singles

AHC plans to finance and build halfway houses and "community residences" under Section 16. AHC will recapture its money totally from the sponsoring group, who will in turn get their money from the Department of Social Development and the Canada Assistance Plan (50-50). So far, the action has mostly come from organizations concerned with the retarded. AHC expects that the YMCA, which has a 16 bed hostel, will request funds for expansion. AHC seems to be interested only in stable establishment organizations for the purposes of this programme. They would like to see a federal contribution to the operating expenses.

A group of volunteers, connected with Edmonton's Social Planning Council, has been running a hostel for transient and indigent women for a year. The group has suffered from a chronic shortage of funds and has used much of its energies in raising money. It is now receiving some city support, as well as funds from the Provincial Department of Health and

Social Development and the United Community Fund for a total of \$1,500/month income. AHC appears to have no interest in providing financial support for the hostel. The province is supposed to provide food, shelter and clothing for the indigents but, in Alberta, such assistance has been mainly directed at men. The housing of transients and low-income single individuals is a very low priority item in Alberta.

I-3 - Alternatives for the Elderly

In Edmonton, lack of proper accommodation for senior citizens is not so much one of slum housing as a lack of proper meals, health care and recreation services, all of which a programme of home service care could help to alleviate.

Edmonton has a Citizens' Committee, which has set up a Meals on Wheels programme for the south end of the city. They provide one hot meal per day, Monday to Friday. Their main handicap is lack of volunteers and lack of funds. They would like to expand and cover the whole city, seven days a week, with meal service and home health care services. When the Committee has worked out its whole programme, the members intend to go to the municipality (from whom they already receive donations), to the province, and to the United Appeal Fund for financing. The Committee plans to establish the need (and thus the programme) by means of a mailed questionnaire and newspaper advertisements. They hope to engage the help of the City Social Service Department and the V.O.N. to co-ordinate the programme and bring in other service agencies. A Calgary study has shown that home service care would be no more, and probably less, expensive than nursing homes or hospital care. A pilot project was carried out by the V.O.N. in co-operation with the Health Services Commission and Metropolitan Calgary Foundation.

The Provincial Homes and Institutions Branch suggested that a way of alleviating the shortage of nursing homes would be to set up a system whereby children would be encouraged to keep their parents at home. In most cases, if the parent needs nursing, he (she) is too much of a burden for the family, especially if he cannot be left alone. The Branch would like to see a system whereby the elderly person could go into a nursing home for one or two months a year in order to give the family a break.

I-4 - Rehabilitation

On March 13, the Minister of Municipal Affairs announced an AHC programme to provide "loans for city-directed programmes to give new life to old neighbourhoods through home purchase, renovation or duplexing, to better utilize existing housing . "

AHC says that the area to be rehabilitated will be designated by the municipality. AHC will lend money to the owners of older homes in the area to rehabilitate their homes. Loans will be made to the municipality only for such things as street repairs. The programme involves no subsidies, and so is open to any income bracket. AHC hopes that this will make it more attractive. AHC says it is aware of the problems that rehabilitation can mean for renters (i.e. higher rents). They say that it may be necessary to impose rent control on rehabilitated houses. This has not yet been decided upon. The programme may first be tried on an experimental basis.

The city at this point has not yet been notified about AHC's rehabilitation programme. The city itself has planned a rehabilitation project, if the financing can be arranged, in West Jasper Place, part of an area known as North Jasper.

North Jasper is an area of Edmonton which appears to be slowly deteriorating. Several sections have been rezoned to higher density and single family detached houses moved to make way for 3-storey walkups. Many residents have lost faith and pride in their neighbourhood and feel helpless about its future. The area also has about 80 sub-standard shacks built before North Jasper was annexed to the city. The Rehabilitation and Redevelopment branch of the city's Planning Department (R & R) decided to try and get the community involved in its own future.

First, they sent out a questionnaire in the mail to area residents. Then, with the Parks and Recreation and Social Service branches for the North Jasper area, they set up a Committee. A series of 5 meetings was held, at which the Committee began to work with the residents on a re-development scheme. They were looking for reactions to certain proposals - street closures, pedestrian walkways, a revised circulation system, etc. They want to explore the willingness of residents to pay for site improvements under the Local Improvements Act. On the city's part, R & R would like to see Council forego five years of taxes on home improvements; a policy which would be a strong encouragement to homeowners to fix up their homes. R & R also wants the city to stabilize zoning, as residents will not rehabilitate their homes if their area is going to be rezoned to a higher density.

R & R is also interested in a programme to replace the shacks. The 2 mile extension of the Capilano Branch of the freeway will take out a number of good houses, as will the Millcreek extension on the South side (300 units). R & R wants to move some of these houses and offer them at cost to the owners of the shacks. They would like to get experimental housing money from CMHC in order to carry out such an experiment on city-owned land. They would find out the cost

of moving a house, installing it, and fixing it up to city standards. R & R estimates that it would cost about \$2,500 to buy these houses and \$1,100 to move them. They figure that the houses could be sold to the shack owners for \$10,000 or \$11,000 and are hopeful that low-interest loans could be obtained from CMHC.

The Rehabilitation and Redevelopment Branch also want a Redevelopment By-law passed, under which the municipality could act as a Redevelopment Authority. It could then take people's land in one area and trade it for a piece in another area, instead of forcing them out on the open market.

I-5 - Rental Supplement and Rent Control

Five or six years ago, before the City of Edmonton had committed itself at all to public housing, a wide scale rental supplement programme was given careful consideration by City Council. This programme would have set a rent-to-income scale and made all families below a certain income potentially eligible for rental subsidies. The programme was turned down as a result of strong objections from the Department of Social Services (Edmonton). They felt that it would involve thousands of families and be far too costly for the city. At present, some rental supplements are being given, but only on a case to case basis. The city questions the practicality of rental supplement as an alternative to public housing or L.D. in a housing shortage situation. What is needed, they feel, is more new housing stock.

However, AHC has suggested "rent supplement" programmes to the EHA. Under this programme, it would be the responsibility of the EHA to rent an existing unit and then charge the tenant on a rent-to-income scale. The AHC would pay the difference. The EHA is checking out this

proposal. The danger with Rent Certificate or rental supplement programmes seems to be that landlords overcharge on rent when they realize that it is the government who is paying.

The Mayor of Edmonton would like to see rent control instituted. He thinks that it could be administered municipally by a citizen board with teeth, under provincial legislation. The Director of ECHO would support rent control, but he would prefer that it be applied only to older houses or apartment buildings. The Mayor is not in favour of a rent supplement programme because, in his opinion, it would cost massive sums of money.

Municipal Affairs officials view rent control as contrary to the government's democratic beliefs and its dedication to free enterprise. Moreover, it would require an army of inspectors and civil servants to administer it. A much better solution, he feels, is to encourage the building industry to construct more apartments and houses. The Mayor of Calgary views rent control as a totalitarian approach that would ruin the private market, and rental supplements as a programme that would result in the government subsidizing the shoddiest developers.

In order to prevent landlords abusing a rent supplement programme, rent control might have to be applied in conjunction with it. Perhaps by limiting the period of control to 3-5 years, the programme could be made more palatable to the landlords. A joint rental supplement programme (federal-provincial-municipal), carefully controlled and administered, could be of great value. It could be used to allow the elderly to remain in private downtown accommodation, for low-income families who have adequate accommodation and do not wish to be uprooted to a public housing project, to house low-income families in a hours or apartment unit when only a single unit is available (i.e. bulk leasing would not apply).

I-6 - Municipal Finance

The municipalities are in desperate straights financially, and for this reason view housing programmes for the low-income, which involve municipal subsidies, as a very heavy burden. The provincial government of Alberta could substantially relieve their plight by imposing a provincial income tax, liquor tax and sales tax which would be allocated to the municipalities on a per capita basis.

I-7 - Public Housing (Alternatives)

An alternative for the public housing programme would be to combine Section 16 L.D. with a 35E subsidy for part of the units. The province or municipality could enter into an agreement with a developer to lease 20% of his units for a 5-15 year period, guaranteeing full occupancy. This alternative is only an alternative in terms of government involvement (not tenant) so that its viability would depend on the suitability of new developments and the cost/unit. It is a method for enabling a province or municipality to provide more subsidized rental units for low income people without having to plan, design and pay the capital cost of a new project. AHC is reportedly very interested in such bulk leasing and may be viewing it as an alternative to the straight 35D public housing programme, which appears to be in danger of a drastic cutback.

Chapter V - Recommendations and Future Trends

Alberta is a wealthy province. Frontier capitalism and individualism are strongly held values.

Despite the fact that 40% of Edmonton's citizens are renters, ideologically the single family dwelling and home ownership predominate. In the mind of the provincial government, the mythology of individualism is translated quite literally into individual home ownership.

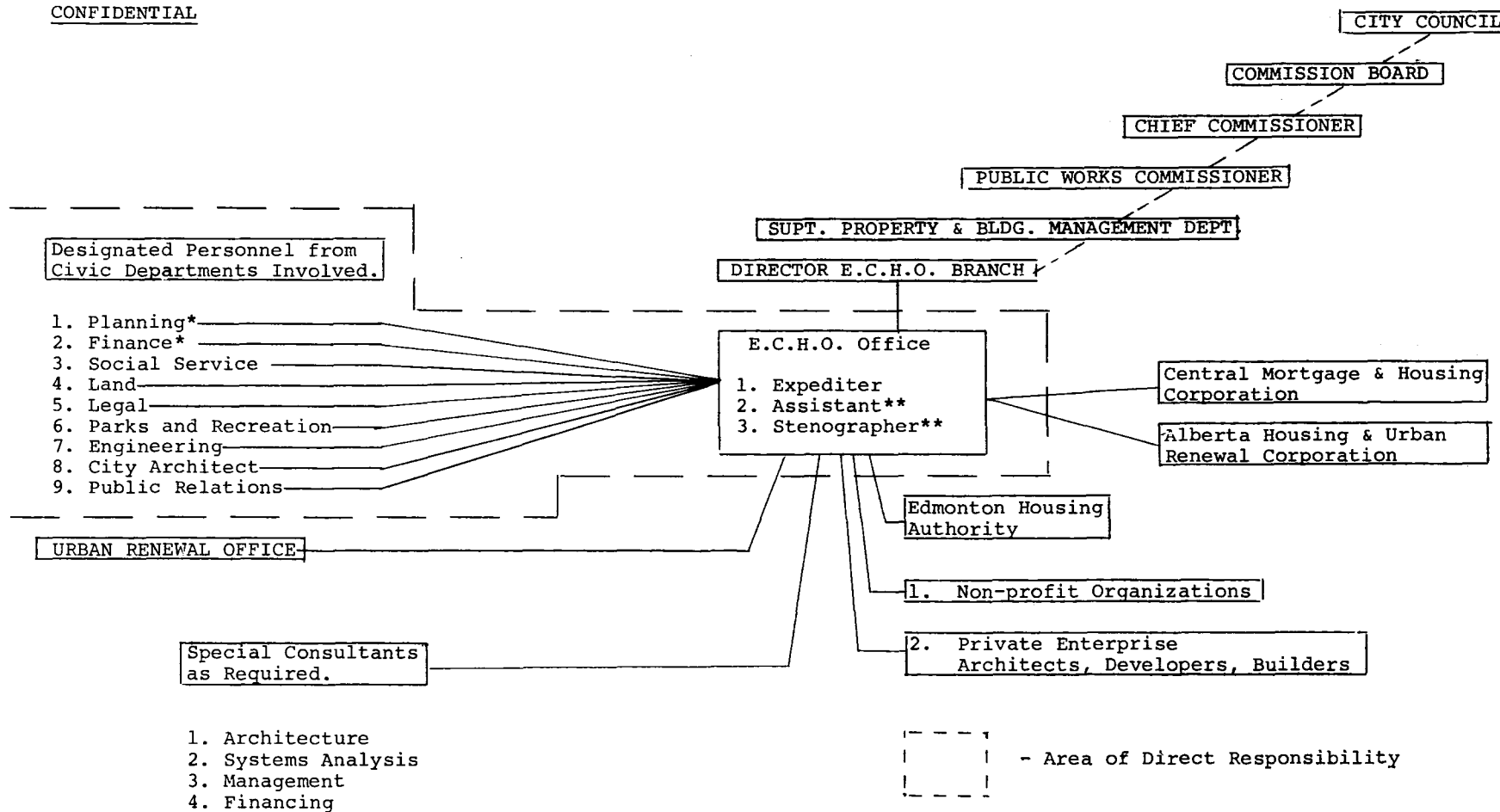
The provincial government would like to put a decreasing emphasis on public housing projects for low-income families, and direct their finances and energies toward programmes like the bulk leasing of private projects and subsidized interest rates on low-cost houses, both of which require lesser government subsidy of capital and operating costs. There is a danger in that home ownership may be too heavy a burden for the low-income. Bulk leasing could result in less suitable living conditions for low-income families, since the government would have no control over the planning or design of the projects, and developers could unload their less desirable vacant units. The cities of Calgary and Edmonton, faced with long waiting lists of families, do not want the public housing programme diminished.

Specific and detailed recommendations can be found in the body of the report. CMHC could play a valuable role as a buffer or negotiator between the province and the city over the potentially explosive issues of final ownership of public housing and public housing land, and the control over planning and design of public housing. CMHC's A & P Division would be most useful to the province and the city in a research and data collecting role. If CMHC is really interested in backing the rights of public housing tenants to have some control over their lives, whether through

tenants' associations or more specific organizations, it should exert more influence in that direction on the operating policies of the LHA's. The Corporation needs to look very carefully into its Section 16 L.D. programme, whose purpose appears to have been corrupted by the odious operating methods of some project owners. CMHC (especially the Branch Offices) should also be orienting itself more towards assisting self-help groups, such as non-profit organizations and co-operative housing associations, and less toward relating directly to big developers.

In conclusion, the Corporation should work out 3-5 year budgets with the provincial corporation. The budget should be negotiated and, through further negotiations between CMHC and the province, divided up into programmes (with various conditions attached). An annual or bi-annual review would be carried out by CMHC but approval of individual projects would be abandoned.

CONFIDENTIAL



* Additional Staff probably required.
 **Number of staff dependent on workload

HOUSING EXPEDITER*

"DEFINITION

This is administrative and technical work directing the activities of the Edmonton Community Housing Organization.

This employee is responsible for planning, co-ordinating, administering, implementing and developing the City's community housing program in accordance with applicable legislation and policies established by City Council and the Commission Board. Responsibilities include the co-ordination of all civic resources, and co-ordination and liaison with the Federal and Provincial housing corporations, the Edmonton Housing Authority, the Greater Edmonton Foundation, non-profit housing corporations, and the general public; and the promotion and encouragement of public acceptance of municipal housing policies. Under the authority of the Commission Board, the Expediter exercises a high degree of independence in making and effecting administrative and technical decisions. However, major policy changes, contracts, agreements and budget requirements are subject to the approval of the Commission Board and City Council. Work is performed under the general executive direction of the City Commissioners and is evaluated through the continuing assessment of program effectiveness.

TYPICAL DUTIES

Plans, develops, administers and co-ordinates the initiation and development of the City's community housing program in conformance with Commission Board and City Council policy; directs departmental staff and interdepartmental designates engaged in the research, investigation, planning and implementation of projects, and in the preparation and review of plans and policies relating to the comprehensive and orderly development of housing programs for persons and families of low-income and special need.

Represents the City at meetings and conferences with Provincial and Federal officials in matters relating to the planning, initiation and implementation of housing programs; acts as the liaison between the municipal administration and the Federal and Provincial housing corporations.

Makes recommendations and furnishes technical advice to the City Commissioners on matters relating to housing and land development, and the City's participation in housing programs; submits policy statements, proposals, and specific plans for the consideration of the City Commissioners and City Council; presents plans or proposals to the Federal and Provincial housing corporations.

Advises, confers and co-operates with other municipal officials in matters related to housing; arranges and participates in meetings with developers, service clubs and the general public on a variety of housing matters.

Maintains a close liaison with potential and existing non-profit housing corporations and the Greater Edmonton Foundation; advises and assists these organizations with the planning and initiation of their projects.

Maintains a close liaison with the Edmonton Housing Authority; advises, confers and co-operates with the Authority in the planning, management and administration of housing projects.

Prepares and presents annual capital and current budget estimates; controls departmental expenditures.

KNOWLEDGES, ABILITIES AND SKILLS

Extensive knowledge of Federal, Provincial and Municipal laws, regulations and administrative procedures governing the planning, initiation and development of housing projects.

Thorough knowledge of the principles, practices and objectives of community housing programs.

Thorough knowledge of the current literature, trends and developments in the field of housing for persons of low-income and special need.

Thorough knowledge of the socio-economic factors involved in the development of community housing projects.

Considerable knowledge of land values, construction methods, costs and other factors related to residential construction in the City of Edmonton.

Considerable knowledge of the principles of supervision, organization and administration.

Ability to plan, direct and co-ordinate a large scale housing program.

Ability to establish and maintain effective working relations with subordinates, interdepartmental designates, public and private officials, and the public.

Ability to express ideas effectively orally and in writing.

TRAINING AND EXPERIENCE REQUIREMENTS

University graduation; with course work in planning, architecture, civil engineering, public administration or related discipline; and considerable progressively responsible experience in housing development, including considerable administrative or supervisory experience; or an equivalent combination of training and experience. "

*Source of Housing Expediter (p.28,29): City Hall Files.

APPENDIX 4

Example 1a

NEW DELTON

35*A

Capital Cost per Unit		\$ 20,200.00
-----------------------	--	--------------

1. City's 10% Share Per Unit		2,020.00
------------------------------	--	----------

2. Monthly Rent	\$ 70.00	
-----------------	----------	--

3. Less Operating Expenditures (Maintenance and Administration)	<u>37.00</u>	
--	--------------	--

4. Surplus	\$ 33.00	
------------	----------	--

a) Credit to Federal Government		
---------------------------------	--	--

75%	\$ 24.75	
-----	----------	--

b) Credit to Provincial Government 15%	4.95	
---	------	--

c) Credit to Municipal Government 10%	<u>3.30</u>	
--	-------------	--

Total	\$ 33.00	
-------	----------	--

5. Monthly Cost to Municipality

<u>Interest Rates</u>	
8%	9%

a) Monthly Cost to Amortize \$ 2,020.00 (at 8% & 9% for 25 years)	\$ 15.77	\$ 16.73
--	----------	----------

b) Less return from Operating Surplus	<u>3.30</u>	<u>3.30</u>
---------------------------------------	-------------	-------------

c) Appropriation from General Revenue Fund	<u>\$ 12.47</u>	<u>\$ 13.43</u>
---	-----------------	-----------------

6. Total Cost to Municipality

a) Cost to City First 25 Years	\$ 3,741.00	\$ 4,029.00
--------------------------------	-------------	-------------

b) Less Return to City from Surplus Last 25 Years	<u>990.00</u>	<u>990.00</u>
--	---------------	---------------

Total Cost	<u>\$ 2,751.00</u>	<u>\$ 3,039.00</u>
------------	--------------------	--------------------

APPENDIX 5

Example 2a

NEW DELTON

35*D

1. Capital Cost per Unit	\$ 20,200.00	
2. Amortization Charges and Operating Charges	Interest Rate 8% 9%	
a) 90% Loan from CMHC @ 7-7/8% for 50 years	\$ 133.24	\$ 133.24
b) 10% Loan @ 8% & 9% for 25 years	15.77	16.73
c) Operating Expenditures (maintenance and administration)	<u>37.00</u>	<u>37.00</u>
	\$ 186.01	\$ 186.97
3. Less Monthly Rent	<u>70.00</u>	<u>70.00</u>
4. Deficit to be Raised	\$ 116.01	\$ 116.97
a) Federal Grant 50%	58.01	
b) Provincial Grant 40%	46.40	
c) Municipal Share 10%	<u>11.60</u>	<u>\$ 11.69*</u>
5. Monthly Unit Cost to Municipality		
a) Monthly Cost first 25 years	11.60 per unit per month	
b) Monthly Cost second 25 years	10.02 per unit per month	
6. Total Unit Cost to Municipality	8% 9%	
a) Cost to City First 25 Years	\$ 3,480.00	\$ 3,507.00
b) Cost to City Second 25 Years	<u>3,006.00</u>	<u>3,006.00</u>
Total Cost	<u>\$ 6,486.00</u>	<u>\$ 6,513.00</u>

* With a 1% increase the City has to pay \$.09 more under 35D
whereas it has to pay \$.97 more per unit under 35A.

APPENDIX 6

Example 4a

(1)

PRESENT VALUE AT 4%
OF EXAMPLES 1a and 2aExample 1a 35A

Cost per unit per year first 25 years (\$12.47 x 12)	\$ 149.64
Return per unit per year second 25 years (\$ 3.30 x 12)	39.60
Present value first 25 years	\$ 2,337.68
Less present value of return	
second 25 years (50 years) \$ 850.69	
(25 years) - <u>618.63</u>	
	<u>232.06</u>
Total cost to the City	<u><u>\$ 2,105.67</u></u>

Example 2a 35D

Cost per unit per year first 25 years (\$11.60 x 12)	\$ 139.20
Cost per unit per year second 25 years (\$10.02 x 12)	120.24
Present value first 25 years	\$ 2,174.58
Present value second 25 years	
(50 years) \$ 2,583.00	
(25 years) <u>-1,878.39</u>	<u>704.61</u>
Total cost to the City	<u><u>\$ 2,879.19</u></u>

35D projects cost the City \$773.57 more per unit, which represents 3.83% of the total cost of the project.

Land value per unit \$ 98,000/36	\$ 2,722.00
----------------------------------	-------------

(2)

35D with 100% Ownership

$$\text{\$ } 2,722 - \text{\$ } 744 : \text{\$ } 1,948$$

35A with 10% Ownership

$$\text{\$ } 2,722 \times 10\% : \frac{\text{\$ } 272}{\text{\$ } 1,676}$$

Thus, the City stands to make \$ 1,676 per unit by developing under Section 35D.

Cost of Living Index

		% Increase
1964	104.8	
1965	107.4	2.4%
1966	111.4	3.5%
1967	115.4	3.4%
1968	126.4	<u>7.1%</u>
Average		4.1%

APPENDIX 7(a)

Example 5a

Proposed Senior Citizen
Housing Project for Greater
Edmonton Foundation With No
Provincial Assistance Section
16A

Total per unit cost	\$ 10,000.00
1. a) CMHC Loan 90% @ 7-7/8% \$ 9,000.00	
b) Municipal Government 10% @ 8% <u>1,000.00</u>	<u>10,000.00</u>
2. Monthly Cost to City:	
a) Monthly Cost to Amortize \$9,000.00 @ 7-7/8% for 50 years	61.52
b) Monthly Cost to Amortize \$1,000.00 @ 8% for 25 years	7.80
c) Monthly Operating Cost	<u>35.25</u>
Total Costs	\$ 104.57
d) Less Monthly Rent	<u>66.00</u>
3. City subsidy first 25 years	\$ 38.57
4. City subsidy second 25 years	\$ 30.77
Net loss on 400 units after 50 years	\$ 8,320,800.00

7(b)

Example 5b

Proposed Senior Citizen Housing
Project for Greater Edmonton
Foundation With Provincial
Assistance and Section 16A

Total per unit cost	\$ 10,000.00
Less Provincial Grant (1/3)	<u>3,333.33</u>
Total Borrowings per Unit	\$ 6,666.67
1. CMHC Loan @ 7-7/8%	6,666.67
2. Monthly cost to the City	
a) Monthly Cost to Amortize \$ 6,666.67 @ 7-7/8% for 50 years	44.00
b) Monthly Operating Cost	<u>35.25</u>
Total	\$ 79.25
c) Less monthly rent	<u>66.00</u>
3. City subsidy per unit per month for 50 years	\$ 13.25
Net loss on 400 units after 50 years - \$ 3,180,000.	

7(c)

Example 5c

Proposed Senior Citizen
Housing Project for Greater
Edmonton Foundation
35*A

Total Cost per Unit	\$ 10,000.00	
1. City's 10% Share per Unit		\$ 1,000.00
2. Monthly rent per unit	66.00	
3. Less operating expenditure (maintenance & administration)	<u>35.25</u>	
4. Surplus	\$ 30.75	
a) Credit to Federal Government 75%	\$ 23.06	
b) Credit to Provincial Govern- ment 15%	4.62	
c) Credit to Municipal Government 10%	<u>3.07</u>	30.75
5. Monthly Unit Cost to Municipality		
a) Monthly cost of amortize \$1,000 @ 8% for 25 years	7.80	
b) Less return from Operating Surplus	<u>3.07</u>	
c) Appropriation from General Revenue Fund	\$ 4.73	
6. Total Unit Cost to Municipality		
a) Cost to City First 25 Years	\$ 1,419.00	
b) Less Return to City from Surplus Last 25 Years	<u>921.00</u>	
Total Cost	\$ 498.00	
City average subsidy per unit per month for 50 years	\$.83	
Net Loss on 400 units after 50 years	\$ 199,200.	

7 (d)

Example 5d

Proposed Senior Citizen
Housing Project for Greater
Edmonton Foundation
35*D

1. Capital Cost Per Unit		\$ 10,000.00
2. Amortization Charges and Operating Charges Per Unit:		
a) 90% loan from CMHC @ 7-7/8% for 50 years		61.51
b) 10% loan @ 8% for 25 years		7.80
c) Operating Expenditures (Maintenance & Administration)		<u>35.24</u>
Total Cost	\$	104.55
3. Less Monthly Rent Per Unit		<u>66.00</u>
4. Deficit to be Raised per Unit	\$	38.55
a) Federal Grant 50%	19.27	
b) Provincial Grant 40%	15.42	
c) Municipal Share 10%	<u>3.86</u>	<u>38.55</u>
5. Monthly Unit Cost to Municipality		
a) Monthly cost first 25 years		3.86
b) Monthly cost second 25 years		3.07
6. Total Unit Cost to Municipality		
a) Cost to City First 25 years	\$	1,158.00
b) Cost to City Second 25 years		<u>921.00</u>
	\$	2,079.00

Total loss to the City on 400 units at the end of
50 years - \$ 831,600.

Example 6a

GREATER EDMONTON FOUNDATION

	1969 Assessment	Municipal & School Taxes	Local Improvement	Total Levy
Elmwood Lodge	\$ 177,390	\$ 11,441.66	\$ 148.50	\$ 11,590.16
McQueen Lodge	176,470	11,382.32	1,674.26	13,056.58
Rosslyn Lodge	180,730	11,657.09	1,782.75	13,439.84
Belvedere & Northway	402,460	25,958.67	3,507.29	29,465.96
Ottewell & Bethany	296,100	19,098.45	2,453.85	21,552.30
Totals		\$ 79,538.19	\$ 9,566.65	\$ 89,104.84

Number of Units

56 single units

140 double units

196 Total

Average yearly cost per unit \$ 454.00

Average cost per month per unit \$ 38.00