
Feature Article #05

Funding a Future: Helping People Secure Affordable Housing

By Brandy Wenger, Corporate Properties, The City of Calgary

While many people find it difficult to find housing, attempting to remain housed may prove to be just as troublesome. Fortunately, there are various programs in the city that help people find rental accommodation or achieve homeownership. Although the Calgary Urban Project Society, the Housing Registry Network, and MCC Employment Development assist Calgarians with housing issues, they each fill a different niche.

The Calgary Urban Project Society, better known as CUPS, was founded in 1988 as a nonprofit organization that offers health care, social services, and educational support to those stricken with poverty. Approximately eight years ago, The City of Calgary helped set up an outreach team to help the homeless in the downtown core. Since that time, Jim Haycock, Housing Outreach Worker with CUPS, has been instrumental in heading the initiative. "It became obvious that you couldn't focus on homeless people without focusing on the housing part of it," said Haycock.

In December of 1999, a Security Deposit Program was created, which has helped over 5,000 people find affordable accommodation. The program, now called the Clients in Transition Fund, assists qualified applicants with their first month's rent so they are able to move off the streets and into a place of their own. While the majority of clients are families, anyone who is working and living in a shelter can apply for assistance. Before the clients are housed, Haycock addresses addiction and mental health issues. "The first thing I do is find out how they are going to deal with addictions before dealing with the housing issue. If you have addictions, then housing is silly because you are going to be thrown out in a month," said Haycock.

A list of affordable housing options is available through the Housing Registry Network. This initiative, now operated by the Calgary Homeless Foundation, allows landlords with any type of accommodation that is available for rent at a cost of \$800 per month or less to advertise on the Housing Registry Network website for free. After a CUPS client qualifies for the Clients in Transition funding and finds a place through the Housing Registry Network or elsewhere, CUPS arranges to pay the client's first month's rent and establishes connections with the food bank for further assistance.

To ensure that the Client's in Transition Fund is helping people stay off the streets, CUPS conducts follow-up meetings with clients every few months. "When a client comes to me with a request, I want to believe that three months from now they will still be housed. If they have no plans as to where their next month's rent is coming from, I will not approve it. I'm looking for stability," said Haycock.

The most successful clients tend to be those with children. "When I check on families with children, one month, three months, and six months later, 97 per cent of them are still housed and exactly where we put them." Experience has shown that the least successful clients are "single males with addiction issues. They have about a 90 per cent failure rate in the first week. The only people now that we'll take the chance on for people with addictions issues are those coming out of treatment," said Haycock.

The bulk of the Client's in Transition Fund is provided by the federal government, with additional support coming from The City of Calgary and the United Way. Client funding is for a six-month time frame in which all of the allocated funds are supposed to be spent. This is followed by a six-month period without program support. As of July 2004, CUPS was seeking additional funding for the program, which they hope will be provided in the fall.

While CUPS assists the homeless to find and secure housing, the Housing Registry Network connects people with accommodation to rent with other people who are seeking shelter. The Housing Registry Network started as a demonstration project in May 1999, supported through a grant from Family and Community Support Services and the Calgary Community Lottery. In December 2000, project funding was secured from the Smart Communities program sponsored by the Federal Government. The success of the Housing Registry Network in matching those looking for and offering affordable housing helped The City of Calgary to win the Most Intelligent City award for bring technology to those who most need it. While no firm numbers can be calculated, Joy Zerke, Project Manager for the Housing Registry Network, says the results have been positive.

In a slightly different vein, the Mennonite Central Committee, through MCC Employment Development, aims to build productive futures for those who are underemployed by offering programs in the areas of business development, financial literacy, and trades training. Clients learn about personal finance and gain the money management skills that can help them to achieve homeownership. Through its Asset Development program, MCC Employment Development offers a year-long savings course consisting of a series of mandatory financial literacy workshops. The aim of the program is to acquire savings that can go towards education, home ownership, or the capital needed to start a small business.

Carmen Plante, former Community Development Facilitator for MCC Employment Development,¹ explains how the program works. “After you open a bank account, you are required to save \$15 to \$45 a month. At the end of one year, what you have saved is matched three-to-one by the Owen Hart Foundation. If participants choose to go towards homeownership, there is a second-year program, where the savings go up to \$45 to \$90 a month. At the end of that year, the savings are matched four-to-one. So at the end of a two-year period, participants will have savings of \$8,000 that can go towards a down payment. We have had a number of people go through this program and purchase homes.”

MCC Employment Development also offers a Security Deposit Loans program, which can provide the money needed for a damage deposit or can assist people who are at risk of becoming homeless. To be eligible for a loan, one must be employed, without secure housing, able to make loan payments, and have low income.² The loans have an interest rate of 1.5 percent above the prime lending rate and, on average, are paid back over two years. “There are organizations that provide just a straight grant. Within our framework, we work with people who are employed and, as they pay their loans off, they are actually rebuilding their credit,” said Plante.

Programs like those offered by CUPS, the Housing Registry Network, and MCC Employment Development create choices for all members of society. “There are 40,000 people in this city over the age of 25 who earn less than \$9 per hour. It’s impossible to live like that,” said Plante. “These people don’t fit into the system the way the system is working for the majority – and they need our help.” By assisting those who need stable housing, CUPS, the Housing Registry Network, and MCC Employment Development are helping to ensure that many more Calgarians will have the opportunity to find and secure housing, and build a better future for themselves and their families.

¹ Jenny Saarinen is now the Community Development Facilitator at MCC Employment Development.

² MCC Employment Development uses the before-tax Low-Income Cut-Offs (LICOs) for 2002 that are calculated by Statistics Canada, as reported by the Canadian Council on Social Development (2003). The LICOs used for Calgary are for a city with a population of 500,000 or greater and vary based on the number of persons per household.

Additional Facts

Calgary Households in Need of Affordable Housing

Research conducted by The City of Calgary (2004) on housing needs has shown that a total of 58,555 Calgary households (17.6 percent of all households in Calgary) are in need of affordable housing because they have a total household income of less than \$38,000 per year and they spend more than 30 percent of their gross household income on shelter. These households are at high risk of losing their housing and becoming homeless.

When viewed by tenure, 34,650 *renter* households (34.1 percent of all renter households) are in need of affordable housing in Calgary, as are 23,905 owner households (10.4 percent of all owner households). When viewed by household type, 31 percent of all *individual households* in Calgary are in need of affordable housing, as are 12 percent of all *family households* and 7 percent of all *multi-family households*.

References

- Calgary Homeless Foundation. 2004. Website. www.calgaryhomeless.com/bs_home.html
- Calgary Urban Projects Society. 2004. Website. www.cupshealthcentre.com
- Canadian Council on Social Development. 2003. *2002 Poverty Lines*. Ottawa: Canadian CCSD. www.ccsd.ca/factsheets/fs_lic02.htm
- City of Calgary. 2004. *Research Brief #03 – Housing Affordability in Calgary*. Calgary: The City of Calgary, Community Strategies, Policy and Planning Division, Social Research Unit. www.calgary.ca (go to the 'A to Z' index and select 'affordable housing' to access this and other research reports on housing needs).
- Housing Registry Network. 2004. Website. www.lowcostrent.org
- MCC Employment Development. 2004. Website. www.mcca-ed.org
- Owen Hart Foundation. 2004. Website. www.owenhart.org