Immigrant and Refugee Housing Program

Executive Summary

In order to address the immediate and critical need to house immigrants and refugees, the Government of Alberta, in partnership with municipalities and settlement agencies, will need to adopt an immigrant and refugee housing and resettlement strategy. Although there are several policy options available to address this challenge, engaging homeowners as a resource will be an important option to consider, as will the long-term implications of such a strategy. This discussion focuses on a strategy that would involve the adoption of a government subsidized detached accessory dwelling unit building program to provide housing for newcomers. This approach would facilitate positive integration into existing communities while contributing to the long-term development of Alberta’s affordable rental housing stock. This proposal outlines the major considerations of such an approach. The focus of this proposal is on Edmonton and Calgary due to their capacity to settle greater numbers of refugees, although it remains relevant for the remaining three municipalities in the province who have committed to settling refugees. All five cities involved in settlement – Edmonton, Calgary, Red Deer, Lethbridge, and Medicine Hat – stand to benefit from the increase in affordable housing stock that would be brought about through this proposed strategy.

Current Situation

Due to global circumstances, Canada and the province of Alberta will experience a large influx of immigrants and refugees in the coming months and years. With the province of Alberta expected to take in 2,500 to 3,000 Syrian refugees by the end of February, out of a total of 25,000 committed to by the federal government, several barriers to settlement and integration have been identified. Lack of affordable and appropriate housing has been identified as one of the primary barriers. Given that Alberta is currently experiencing a growing affordable housing infrastructure gap with current rental stock already under pressure, the arrival of large numbers of immigrants and refugees will require smart planning and strategies to accommodate increased demands. An immediate response and action must be taken on behalf of the provincial government to address Alberta’s lack of affordable housing stock and to prepare for increased immigration.

The demographic profile of Syrian refugees that have been processed between November 2015 and January 2016 illustrates the need for diverse housing accommodations and support services. In terms of family size, 43% of Government-assisted Refugees had a family size of four or less persons, while 93% of Privately-sponsored Refugees had a family size of four or less persons. This data includes both approved and in-process cases and suggests that while preparing for larger family sizes will be necessary, accommodating smaller families and single individuals must also be considered. Data also suggests that many applicants have no family contacts in Canada and have little or no knowledge of Canada. This suggests that immediate cultural orientation sessions after arrival in Canada would be beneficial, as would the establishment of long-term social ties with existing Canadian citizens. Additionally, it has been found that 56% of Government-assisted Refugees are 14 years of age or younger, meaning there will be a considerable need to ensure that children have access to services and supports. Reports by Visa officers in Beirut and Amman, show that 90-95% of Government-assisted Refugees understand neither English nor French, therefore connecting refugees to language services will be necessary.

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1 Detached accessory dwelling units are small, independent units placed on existing residential lots, usually in backyards, as a form of infill development.
Given the current situation, an immigrant and refugee housing program that increases Alberta’s overall supply of affordable rental housing while facilitating positive integration into Canadian society should be pursued. Housing options should help connect newcomers to supports and services, and should be located in areas where newcomer have access to necessary to amenities. Actions by the province to address the influx of refugees should be supported by Alberta residents, be done in partnership with existing settlement and sponsorship organizations, and benefit the province as a whole.

The current critical issues and barriers to resettlement are:

- Lack of adequate and appropriate housing
- Need to facilitate effective and timely transition into the Canadian economy and social and cultural communities
- Need to ensure steps are taken to plan for long-term healthy resettlement within Alberta communities while maintaining existing strong, stable communities
- Need to deliver immediate and long-term benefits to the province through the addition of sustainable housing infrastructure
- Incorporate a prompt, efficient and balanced increase in appropriate housing stock

**Background**

The resettlement process involves a number of immediate essential services as well as long-term settlement support. Securing permanent housing accommodations fits into the initial reception phase of resettlement and is an important first step towards successful resettlement and integration. Resettlement services also include orientation to life in Canada, as well as help accessing healthcare, counselling, education and language services. Overall, resettlement must involve a coordinated effort between settlement service providers, private sector partners, and federal, provincial, and municipal levels of government.

Given that adequate and affordable housing is one of the central priorities for immigrant and refugee resettlement, lack of affordable housing has been identified as one of the most significant barriers to resettlement. Current affordable housing options are limited and strategies have generally called upon the public to offer housing accommodations. As of 2014, the Canadian Mortgage and Housing Corporation (CMHC) concluded that renters are much more likely to be in core housing need with 26.4% of renters in need compared to 6.5% of owners. A household is deemed in core housing need when it falls below one of the adequacy, affordability, or suitability standards and would have to spend 30% or more of its total before-tax income to pay the median rent of alternative local housing. CMHC also concluded that newcomer households are much more likely to be in core housing need compared to non-immigrant households, at 29.6% and 11% respectively. These results speak to the issue of lack of access to appropriate housing and suggest that immigrants are more likely to suffer from housing affordability stress and associated impacts that may inhibit positive integration. Given that renting is the most viable option in terms of affordability for low-income earners, the provision of affordable rental housing has become a major concern in Alberta with average rents increasing by 5.3% since 2014 and rental starts stagnating around 10%. This has resulted in rental units becoming increasingly limited and expensive.
The Government of Alberta has recently committed to provide $1.2 million to support refugee resettlement.\textsuperscript{23} Based on current rental costs and financial support provided to refugees, this level of funding may be inadequate to support the scale of resettlement services necessary for facilitating a smooth transition into Canadian society. The chart, Average Monthly Rental Rate for 2-Bedroom Units, shows that the combined average rental rate for Edmonton, Calgary, Lethbridge, Red Deer, and Medicine Hat, the five cities that refugees are expected to be settled in, is $1,068 per month for a two-bedroom unit. In Calgary and Edmonton, the cities expected to accept the majority of refugees, rates are close to $1,285 per month.\textsuperscript{24} Additionally, according to resettlement agencies, federal support for housing refugees is less than $700 per month for a family of four.\textsuperscript{25} Based on these rates and expectations that between 2,000 and 2,100 refugees arriving in the province will require some government assistance,\textsuperscript{26} the level of funding currently provided will not be sufficient for providing newcomers with stable and secure housing.

\begin{figure}
\centering
\includegraphics[width=\textwidth]{average_rental_rate.png}
\caption{Average Monthly Rental Rate for Two-Bedroom Units}
\end{figure}

*\$700 is an approximation based on statements from resettlement agencies as documented by the Calgary Herald (2015).*
Research shows that lack of appropriate and affordable housing options and policies may result in the clustering of immigrants and refugees into neighbourhoods and housing situations that limit positive integration. Clustering of refugees in vertical rental units in lower-income neighbourhoods is a likely outcome based on the current availability and affordability of rental units in the cities expected to accept refugees. Research also indicates that key issues for delivering appropriate housing that meet the needs of immigrants and refugees while aligning with the goals of the province include:

- Affordability
- Immediacy
- Facilitating social integration
- Ensuring locations are near to employment opportunities, schools, resources and social organizations
- Need to maintain family units
- Desirable to establish connections with current citizens who may provide networks for integration

These factors align with the conclusions reached at the 2014 Alberta Integration Summit for establishing current priorities for settlement and integration in Alberta and are supported by the members of the Alberta Association of Immigrant Serving Agencies and Department of Immigration, Refugees and Citizenship (formerly Citizenship and Immigration Canada).

After a review of the literature on affordable housing in Canada, municipal infill strategies, accessory dwelling units, as well as municipal policies on accessory dwelling units, it appears that an appropriate housing strategy would be the adoption of a government subsidized detached accessory dwelling unit building program that would provide housing for sponsored immigrants and refugees in partnership with existing homeowners and resettlement agencies. Implemented through this type of program, detached accessory dwelling units can fill the gap that currently exists around providing housing for immigrants and refugees coming to Alberta.

Detached accessory dwelling units are small, independent units placed on existing residential lots, usually in backyards, as a form of infill development. Commonly referred to as garden suites, these units can be built, delivered, and installed in as little as 30 days and offer a form of affordable rental housing that is well suited to immigrant needs. Research suggests that newcomers consider accessory dwelling units to be a practical and sustainable housing option for a number of reasons. As opposed to apartments, accessory dwelling units offer newcomers the option of integrating into established residential neighbourhoods where families have better access to good schooling, transit, social services, and other essential amenities. Due to the design and location of accessory dwelling units, they allow for autonomy and independence of newcomers to be maintained while also helping build valuable social networks through contact with the main homeowner. Newcomers have found that access to a shared yard and the opportunity to exchange informal services, such as baby-sitting or home maintenance with the homeowner to be additional benefits of accessory dwelling units. This form of housing gives newcomers access to free guidance, orientation, and informal support networks from the main homeowner as well as assistance with daily activities such as locating services, shopping centres, or addresses. Establishing neighbourhood networks also assists newcomers in finding employment opportunities and building social capacities.

Costs of accessory dwelling units range from $40,000 to $80,000. As of April 2015, the City of Edmonton became one of several major Canadian municipalities, alongside Toronto, Ottawa, Montreal, Vancouver, and Red Deer, to adopt less restrictive zoning policies conducive to increased development of this form of infill housing. Of the five cities committed to settling refugees in the province, Edmonton and Red Deer are both relatively liberal in their allowance of accessory dwelling units, followed by Lethbridge and Medicine Hat. Calgary is the most restrictive in allowing for accessory dwelling units and has not been able to move the issue forward for several years, with development of units limited to certain areas of the city and under discretionary use. Emerging research and projections indicate that accessory dwelling units are viable and realistic solutions to...
urban issues and that they may foster healthy, sustainable communities. Accessory dwelling units offer the additional benefits of:

- Increasing density
- Fostering social connections between occupants and residents of the primary dwelling
- Allowing privacy and independence of occupants to be maintained
- Providing property owners with rental income
- Adding long-term, sustainable rental units to Alberta’s housing stock

An initiative in which the government subsidizes the installation of detached accessory dwelling units on residential lots where owners have agreed to have a unit built for the purpose of housing immigrants and refugees would enable relatively rapid yet sustainable resettlement. However, it should be noted that dependent upon municipal building and development policies, permitting processes might prolong the implementation of such a strategy. This program would also require the participation of resettlement agencies to pair newcomers with participating residents to house them in the newly built accessory dwelling units. As part of the subsidy agreement, government set rental rates would be paid to both the property owner and the government. This would create incentive for existing residential homeowners to join this program while allowing the costs of unit installation to be recovered. Several builders of detached accessory dwelling units are operating in Western Canada and may be contracted to build and install units in municipalities in partnership with the government of Alberta and current residential homeowners.

A comprehensive housing and resettlement strategy also requires direct participation from sponsorship groups and settlement and integration organizations to ensure resettlement results in healthy and positive integration in established communities. Participation from sponsorship groups will facilitate the pairing of newcomers with participating homeowners from whom they would be renting, thus encourage positive social relations between newcomers and existing residents. This approach aids in removing barriers to integration by reducing immigrant isolation and encouraging communities and existing residents to be more open to immigrant and refugee resettlement. Settlement and integration service providers should take the lead in approaching the provincial government with a housing program that incorporates the recommendations included in the following section.

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2 Potential builders include Nomad Micro Homes, Grandview Modular Homes, Baum & Woolger Homes Ltd., or Small Modern Living.
Recommendations

Adopt an immigrant and refugee housing and settlement program whereby homeowners may apply for the building of a government subsidized accessory dwelling unit on urban residential lots, appropriately zoned, in consideration of rental agreements, with government set rates, in participation with sponsorship organizations to host refugees and immigrants. This program should be run by the provincial government and developed and implemented in partnership with settlement and integration service providers. Delivery of this program would include:

- Owners of appropriately zoned urban residential lots would apply for government subsidy to build an accessory dwelling unit to host an immigrant or refugee family.
- Subsidy agreement for construction and subsequent rental to sponsored refugee/immigrant would be confirmed.
- Detached accessory dwelling units would be built, delivered and installed in partnership with a contracted accessory dwelling builder.
- In partnership with immigrant and refugee settlement agencies, newcomers would be paired with residents participating in the program and housed in their accessory dwelling unit. Pairing will be determined on a case-by-case basis by settlement and integration service providers based on the specific needs of newcomers.
- Costs associated with construction of the detached accessory dwelling unit would be recovered through rental payments paid in part to the province and in part to the property owner.
- Homeowner incentive to join this program is derived from the partial rental income acquired from having the accessory dwelling unit rented out, the potential for future rentals, and the lack of costs associated with participation.

Development of this program will require consultation with the appropriate groups and stakeholders to determine funding structure, building contracts, timelines, outcomes, and coordination of government and non-government resources. A similar program, called Cornerstones, was implemented by the City of Edmonton in 2006; however, it was not targeted at serving immigrants and refugees. This program aimed to increase the number of long-term affordable housing units by providing grants to homeowners for building accessory dwelling units. Units were then rented to lower income households. The Cornerstones program should be reviewed during the development of an immigrant and refugee housing program as the above recommendations may be well suited to a similar program design. Implementation of this program will require coordination between the provincial government, settlement agencies, and private builders or developers to ensure desired outcomes are achieved.
References


6. Alberta Association for Immigrant Serving Agencies, “Syrian Refugee Profile.”

7. Ibid.

8. Ibid.


15. “Welcome Refugees.”

16. Ibid.


20. “Canadian Housing Observer 2014.”


29. Ibid.

30. Ibid.

31. Ibid.

32. Ibid., 23-24.


39. Ibid.

40. Ibid.

41. Ibid.


46. Ibid.

47. Permitting Secondary Suites.”

48. Ibid.

