



The Chinese Freemason's Wild Rose Circle Project, which includes 96 new units of affordable rental housing for seniors, shows that it is possible for non-profit groups to deliver affordable rental housing in a cost-effective fashion. Peter Goldring examines the project.

struction is not their area of expertise. As a result their projects are more expensive than similar private sector efforts because they are not in the construction business and in a way are starting from scratch, or try to incorporate social-service extras into their projects that are not necessary to meet the housing need. With a limited amount of taxpayer dollars, money spent on these extras means less to spend on providing for those in need.

WILD ROSE CIRCLE - GETTING HOUSING RIGHT

Peter Goldring has written two books on affordable rental housing and the lack of it in Edmonton East and around the country. He has long advocated involving the private sector (as has been done with developer ProCura's Mayfair Village project) to provide affordable rental housing at a reasonable cost to taxpayers.



Barbara Fung, Chinese community organizer, and Member of Parliament Peter Goldring give a thumbs up to the artists drawings for the Wild Rose Circle Project.

He has shown that non-profit organizations all too become involved in affordable rental housing when they should not have because housing con-

Over the past three decades, it seems that the heavily subsidized and tax free non-profit sector has impeded entry level, private sector rental industry development by commingling special social housing needs with basic rental housing market needs. The subsidies give the non-profit sector an unfair competitive advantage when compared to developers working in the private sector rental housing market.

The non-profit driven social sector seems to



discourage the involvement of the large, economy of scale private sector rental industry in rounds of government consultations, task force endeavors, and community focus groups designed to improve the supply of rental housing for lower income workers.

Unfortunately, the non-profit social system, for the most part, does not have the economic capacity to fill this much needed void. While there is a need for non-profit involvement, this should be relegated to helping the most vulnerable in society who cannot afford or be subsidized into even normalized market housing.

The challenge should be for the private sector rental industry to construct minimum facility apartments, which are in compliance with all relevant building and habitation codes, and which are intended to address the "needs, not wants" of those singles and couples who need clean and safe housing.

Lower construction costs using the private sector's expertise and economies of scale equate to increased housing affordability. There is concern that in publicly financed projects, this basic principle is ignored. Many of the more costly projects are the result of architectural preferences, related building

design, and the lack of economy of scale economics being applied. These unnecessary increased costs have little to do with fiscal prudence. Instead, middle and upper-class aesthetic standards of appeal are applied to projects intended to address the basic entry-level needs of low income earners. This gives a lucky few recipients a skewed vision of life's realities, inhibiting ambition to move on, while leaving many still in need of basic entry level housing.



The Noodle Noodle restaurant is being demolished to make way for the new Wild Rose Circle Project which will provide 96 units of quality affordable rental housing for seniors.

Government must seriously reconsider their swing towards small, inefficient, select non-profit housing projects that take their clients from good integrated independent community living housing under the idea that dependent living is better. They simply re-institutionalize old social welfare ware-

housing policy that was antiquated and did not work. However governments should consider that if housing affordability is the issue then engage the efficiencies of the private sector.

It is the private sector that has shown, time and again, that it can, and will, build affordable entry level rental units that address basic needs, and which are in accordance with all codes and standards of health and safety. All the private sector requires by way



of inducement over the long term is an absence of competition from the non-profit social housing industry and a level playing field in terms of government subsidies and taxation.

Some non-profit groups however are able to be just as cost-effective as the private sector, as the Chinese Freemasons are showing with their Wild Rose Circle project.

Mr. Goldring offered his support to the Chinese Freemasons when he first heard of this project almost three years ago. He is delighted that the Wild Rose Circle Social Project will help meet the need for affordable rental housing in our city. These 96 new units of quality, affordable housing for low-income residents will allow them to remain in their community, close to family and friends. They will allow more seniors to continue living in the community of their choice, and provide families the stability of a place to call home.

It's part of a \$50 million project that will also include 128 supported-living seniors' units and 12 condominiums. Plans also include space for a drugstore, medical and dental offices and the like as part of the project at 106 Avenue and 100 Street.

Federal-provincial affordable housing funding for the project was announced in May 2010, and construction started in the summer of 2011. The Noodle Noodle Restaurant, presently at the location, will be demolished and re-established in the new building, which is expected to open in early 2013.

The Government of Canada is contributing \$2.5 million in federal funding to the Wild Rose Circle Project through *Canada's Economic Action Plan* and through the extension of the *Canada-Alberta Affordable Housing Program Agreement*. The provincial government is also contributing \$2.5 million.

As a long-time resident of Edmonton,

Peter Goldring knows that finding safe, affordable accommodation is a concern for many people, especially those in Edmonton East. The Wild Rose Circle Social Project will help meet that need. For Chinese seniors, the added bonus is being able to remain in the Chinatown area. As our population ages it makes sense to have housing options for seniors available in familiar settings – in this case close to Chinese cultural centres.



Member of Parliament Peter Goldring joined with local dignitaries and representatives of the Chinese community at the official sod-turning ceremony for the Wild Rose Circle project.

This project is great news for those who need a hand-up, and for Edmonton itself. By providing more rental options for low-income residents, the Wild Rose Circle project will contribute to the economic and social well-being of the wider community. This is also a good way to get the local economy moving because it puts construction workers and trades people to work quickly.

Like ProCura's Mayfair Village Project under construction at Jasper Avenue and 109 Street, this is an example of affordable rental housing at a reasonable taxpayer cost. While some non-profit affordable rental housing

ventures have cost taxpayers more than \$200,000 per unit, the federal-provincial funding for the Wild Rose Circle Project is just over \$52,000 per unit – a considerable savings of more than \$15 million when compared to traditional non-profit projects. This shows the benefits of the Chinese Freemasons more than 25 years of providing housing to seniors and low income families. Other nonprofit groups wishing to be involved in providing affordable rental housing should look at their model and learn.

Update: Peter Goldring still feels that most affordable rental housing should be provided by the private sector, but is pleased to recognize instances, such as the Wild Rose Circle project, where a non-profit group has gotten it right.

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This brochure series is intended to highlight special issues that Member of Parliament, Peter Goldring, has been involved in. If you wish to comment, please take a moment to fill out the survey below, write or call to the address above.

Your Opinion Matters...

Do you feel the private sector should be encouraged to become involved in providing affordable rental housing?

Yes No

Do you agree the non-profit groups that truly use fiscal restraint and create affordable housing should be encouraged?

Yes No

Comments: _____

Name: _____
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