



Co-operative Housing  
Federation of Canada

# Co-operative Housing

**Built to last, with  
purpose and scale**





# Submission to the Build Canada Homes Market Sounding Guide

## Introduction and Executive Summary

The Co-operative Housing Federation of Canada (CHF Canada) is a national leader in the co-operative housing sector, representing thousands of communities across the country. With proven experience in co-designing and delivering the Co-operative Housing Development Program, CHF Canada is well-positioned to partner with Build Canada Homes to scale up affordable housing solutions.

We propose working directly with Build Canada Homes (BCH) as a capable national intermediary with robust regional connections to build significantly more affordable co-operative housing at-scale. Further, we recommend the following strategic actions to BCH and the Government of Canada:

- Recapitalize the Co-operative Housing Development Program,
- Embed a portion of rent-geared-to-income assistance in every BCH project,
- Launch the Rental Protection Fund with urgency and scale;
- Prioritize Indigenous housing through a For-Indigenous, By-Indigenous stream and resources.

## About the Co-operative Housing Federation of Canada

CHF Canada is a national membership association founded in 1968, supporting the sustainability and growth of co-operative housing. Our services include development, acquisition, asset and financial planning services, insurance, education, advocacy, and strategic partnerships. With nearly 85% of housing co-operatives in Canada as members, CHF Canada is deeply connected to the sector.

What we offer:

- co-operative housing development, acquisition and amalgamation services designed to support co-operative housing growth at-scale across Canada.
- asset and financial planning services with a recent track record of facilitating access to hundreds of millions of dollars in commercial lending to support renovation and renewal.

- insurance and risk management services.
- education, training and member information to support good governance, management and community development within co-operatives.
- research, policy, program development and advocacy.
- compelling partnerships that create sector value, including the founding of the Agency for Co-operative Housing, Community Housing Management Network, Rooftops Canada, Community Housing Transformation Centre, member-ownership with the Co-operators and ownership positions with Encasa Financial and Boann Social Impact.

## Partnering with the Co-operative Housing Federation of Canada

CHF Canada has a long track record of involvement with federal housing policy and programming dating back to the late 1960s. From informing the creation of the first federal co-operative housing supply programs, to facilitating the creation of the Community Housing Transformation Centre, CHF Canada is well positioned to partner with Build Canada Homes to develop affordable co-operative housing at-scale and to build faster, better and smarter.

In fact, we're already doing just that. CHF Canada co-designed and has a delivery role in the recently launched federal Co-operative Housing Development Program. Launched in June 2024 after two years of co-design work with the federal government, the program has already announced \$423 million worth of projects.

CHF Canada is responsible for developing quality projects at-scale for the Co-operative Housing Development Program. We have a high-capacity team with strong connections across a diversity of markets identifying and pursuing new development opportunities, and we hope to do even more alongside Build Canada Homes.



## The Value of Co-operative Housing

Co-operative housing is home to over a quarter of a million people in every province and territory. Co-ops have a proven track record of delivering long-term public value.

### Permanent affordability and strong security of tenure

- The legal structure of a non-profit co-operative puts member (resident) interest first in delivering sustainable, quality, affordable homes on a permanent basis. Co-operatives operate outside of the speculative market so that residents are insulated from market rate rent increases, renoviction, demo-viction and the financialization of housing.
- A national [five-city study in 2022](#) found that co-op rents are consistently below market, delivering households savings averaging 25-33% compared to what they would pay for comparable private rentals.
- Even in difficult markets, newer co-operative housing developments rapidly deliver stronger affordability relative to market. For example, Fraserview Tower Co-operative in Vancouver offers co-op homes at 61% of average market rent (2024 figures).
- Co-operatives also partner with governments to dedicate a portion of their portfolios to low-income households who otherwise would face housing precarity and core housing need. This is thanks to the availability of rent-geared-to-income rental assistance delivered to households through programs like the [Federal Community Housing Initiative](#).

### Strong and accountable performance record

- Co-operatives are not only accountable to their members but have also demonstrated high levels of accountability and transparency with governments when under operating agreements. CHF Canada created the Agency for Co-operative Housing in 2005 to demonstrate a client-centred, data-driven and risk-based approach to portfolio management. Audited annual information returns transparently [demonstrate improving performance outcomes](#) over time to government funders, while also informing co-operatives and sector associations of trends and opportunities for continuous improvement.

### Sustainable and scalable financial model

- Housing co-operatives' mixed-income portfolios produce sufficient net-operating income needed to sustainably manage their assets and invest in future growth.
- Members of housing co-operatives gain community and business skills when exercising membership and governance roles within their co-operatives and within the sector.
- CHF Canada is building infrastructure as a national and regionally connected intermediary to ensure that new co-operative housing development catalyzes sustainable and continuous portfolio growth. Experience and scale enable CHF Canada and its partners to develop projects faster, better and smarter.

### 1. Partner with CHF Canada to act as a national intermediary to develop affordable co-operative housing at-scale, and to build faster, better and smarter.

- By leveraging CHF Canada's connections to experienced development partners and several hundred co-operative assets, we can scale up existing efforts to build new co-operative housing, to acquire and convert private rental housing into permanently affordable co-operative housing, and to amalgamate existing co-op housing assets to stronger co-operatives that are better positioned for sustainable and continuous portfolio growth.
- Our development aims are consistent with Build Canada Homes in that we leverage sector expertise and partnerships, we focus on the portfolio-based co-operatives developing at-scale, and we have a track record of developing projects on federal land.

### 2. Recapitalize the Co-operative Housing Development Program and associated federal supply programs with robust, long-term funding and financing.

- The Co-operative Housing Development Program, along with other federal supply programs, have generated large numbers of shovel-ready projects across the country. But some programs have run out of funds, and others have fewer funds than projects in the pipeline. This means that many projects will not be realized unless existing federal programs are robustly recapitalized. During a housing crisis, we need to find a way to say yes to 100% of qualified projects, because they will otherwise become more expensive and non-viable with the passage of time.

### 3. Commit to building more deeply affordable housing as part of mixed-income communities through the long-term provision of rental assistance in new and existing co-operative and community housing supply.

- The Build Canada Homes Market Sounding is silent on the continuity of rental assistance programs like the Federal Community Housing Initiative and the Canada Housing Benefit as part of the policy toolkit to build and maintain deeply affordable housing.
- Current National Housing Strategy Supply Programs do not build enough deeply affordable housing, and the housing that is deeply affordable is often congregate housing that is segregated from community.

- Hundreds of thousands of low-income households in legacy community housing face the expiry of rental assistance programs in 2028. This will result in the loss of deeply affordable housing and an increase in core housing need and homelessness if not addressed.
- We therefore recommend that Build Canada Homes integrate a portion of rent-g geared-to-income assistance in all projects that it develops to create more deeply affordable housing in more inclusive communities. Furthermore, the federal government should commit to a permanent extension and expansion of rental assistance programs in legacy community housing to preserve deeply affordable housing and housing stability for hundreds of thousands of households.

#### 4. Launch the Canada Rental Protection Fund with speed and scale:

- Existing affordable rental housing is being lost to redevelopment and financialization, thereby putting strain on renters and driving core housing need. The loss of affordable rental housing is happening faster than industry and government can build replacement stock that is deeply affordable.
- We commend the federal government for budgeting for and launching a Request for Proposals to launch the Canada Rental Protection Fund, a program that would enable the community housing sector to acquire private rental housing and to protect affordability for renters. We urge the federal government to launch the program as quickly as possible, with a stronger year 1 budget profile to enhance the attraction of non-governmental capital to the program.

#### 5. Prioritize Indigenous-led housing:

- BCH must include a "For Indigenous, By Indigenous" mandate for a significant portion of BCH builds. Housing is foundational to advancing reconciliation. When an Indigenous-led approach is used, the housing created will be culturally appropriate, designed to uphold the varying values, traditions, and governance approaches of Indigenous communities. CHF Canada continues to stand with Indigenous housing providers and supports their vision for Indigenous-led co-operative and non-profit housing in urban, rural and northern communities.
- Budget 2022 committed \$300 million for the Urban, Rural and Northern Indigenous Housing Strategy, largely delivered through the National Indigenous Collaborative Housing Inc. (NICHI). However, the additional \$4 billion over seven years committed in Budget 2023 remains unallocated. The funding should be provided to NICHI to develop For Indigenous, By Indigenous community housing, helping to address the disproportionate housing need experienced by Indigenous people across the country.

## Conclusion

CHF Canada is ready to partner in design and delivery of BCH, to create lasting homes and communities at the scale and speed that Canadians need. With our ongoing experience with the Co-op Housing Development Program, CHF Canada is well-positioned to leverage our sector expertise as co-operative housing development projects are blossoming across the country.

Canada needs long-term, proven solutions. In partnership with the co-operative and community housing sector, BCH can mark a transformational shift in how housing gets built – not only faster, better, and smarter, but in a way that advances affordability and scales up the proportion of non-market housing in the housing ecosystem. The housing challenges Canadians face are solvable; as most recently researched in Ontario, a new report outlines the cost and achievable targets to bring the scale of housing solutions needed to address the housing crisis.

Scaling up co-operative housing is a strategic investment in Canada's future and will support inclusive growth and economic resiliency. Expanding co-operative housing will also strengthen local labour markets, build lasting infrastructure, improve productivity and boost GDP.

Co-operative housing is built to last, with purpose to scale, and delivers value for generations. We look forward to continuing dialogue on how CHF Canada can bring the full potential of the co-operative sector as a strategic partner to Build Canada Homes.

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