



ALBERTA
HOUSING AND URBAN AFFAIRS

*Office of the Minister
MLA, Calgary - Egmont*

BR-5455

March 4, 2010

Mr. Ken Kobly, President and Chief Executive Officer
Alberta Chambers of Commerce (ACC)
1808, 10025 - 102A Avenue
Edmonton, Alberta T5J 2Z2

Dear Mr. Kobly:

As an important partner in the delivery of the Government of Alberta's affordable and social housing programs, I am pleased to provide you with a brief summary of Housing and Urban Affairs' budget and capital plan for 2010. Budget 2010 strikes the right balance between fiscal discipline and protecting healthcare and other priority programs. Government's decision to stay the course through the darkest part of the economic downturn has enabled Albertans to continue to receive priority programs as part of the province's fiscal plan.

Specific to Housing and Urban Affairs, Budget 2010 keeps us on track to meet our commitment to help at-risk Albertans meet their core housing needs. While we will see an overall budget reduction of 18 per cent, this reflects the planned ending of the three-year municipal block funding program for affordable housing. You can be confident all of the following targets will be met:

- We will achieve 11,000 affordable housing units by 2012
- We will continue to move forward on the provincial 10-year homeless plan
- We will continue to support more than 80,000 low-income Albertans through rent supports and social housing programs
- We will continue to support emergency shelters across the province.

Budget 2010 continues my Ministry's focus on supporting the development of affordable housing throughout Alberta. HUA's capital plan includes \$88 million in 2010/2011 and \$285 million over three years for affordable housing. As well, \$46 million will be provided for capital maintenance and renewal, and \$128 million in operating support for affordable housing.

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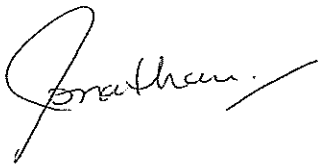
Implementation of the 10-year plan to end homelessness continues in Budget 2010. The Ministry's 2010-2013 capital plan includes \$100 million in 2010/2011 and \$300 million over three years to support development of 2,700 housing units for the homeless. Another \$83 million in operating support is budgeted in 2010/2011, to fund approximately 3,600 emergency transitional shelter spaces and to provide 1,300 homeless Albertans with outreach support services. Budget 2010 includes an increase of \$10 million to assist 300 to 400 new people with support services.

Recognizing the importance of affordable housing to economic growth in the Fort McMurray area, Housing and Urban Affairs is moving forward with developing 1,000 acres of land through the Parsons Creek initiative.

I want to thank you for your efforts to ensure vulnerable Albertans have a range of housing options that match their needs. Alberta's housing organizations have made great strides in finding appropriate solutions for Albertans to help them become independent. Together, we established the first and only provincial multi-year strategy to end homelessness and since our plan was unveiled in March 2009, 1,300 formerly homeless people have permanent homes and the supports they need to remain housed. In the area of affordable housing, we have added over 6,000 units in the past two years.

I look forward to building on these successes, collaborating on win-win solutions and helping people move forward with their lives.

Sincerely,

A handwritten signature in black ink, appearing to read "Jonathan Denis". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Jonathan Denis, QC
Minister