

What is Co-operative Housing

Co-operative housing (or “co-op”) is a special type of housing that is owned and run by the people who live there. Instead of a landlord or developer, a co-op is a legal organization that owns the buildings.

There are two main kinds of co-ops:

- Equity co-ops – members buy a share that may grow in value over time, like owning part of the building.
- Non-equity co-ops – members buy a share, but the focus is on keeping housing affordable (this is the most common type in Canada).

Co-ops offer an affordable, community-focused alternative to renting, buying a condo, or purchasing a house. They welcome people from all walks of life, including families, seniors, newcomers, and people with disabilities. Over 90% of co-ops in Canada are run by non-profit groups whose main purpose is to provide affordable housing.

Members of a co-op:

- Purchase a share in the co-op corporation.
- Have the right to live in one unit (but don’t own that unit outright).
- Pay a monthly housing charge. This covers maintenance, repairs, and savings for the future.

New members typically undergo a thorough application process, and all members have a say in who joins the community.

Some co-ops also get government funding to help make certain units more affordable. In such cases, the co-op and the government establish clear rules on how those funds are used.

What are the general Co-operative Housing Principles?

1st Principle: Voluntary and Open Membership

Co-operatives are voluntary organizations open to all persons able to use their services and willing to accept the responsibilities of membership, without discrimination based on gender, social, racial, political, or religious grounds.

2nd Principle: Democratic Member Control

Co-operatives are democratic organizations controlled by their members, who actively participate in setting their policies and making decisions. Men and women serving as

elected representatives are accountable to the membership. In primary co-operatives, members have equal voting rights (one member, one vote) and co-operatives at other levels are also organized in a democratic manner.

3rd Principle: Member Economic Participation

Members contribute equitably to, and democratically control, the capital of their co-operative. At least part of that capital is usually the common property of the co-operative. Members usually receive limited compensation, if any, on capital subscribed as a condition of membership. Members allocate surpluses for any or all of the following purposes: developing their co-operative, possibly by setting up reserves, part of which at least would be indivisible; benefiting members in proportion to their transactions with the co-operative; and supporting other activities approved by the membership.

4th Principle: Autonomy and Independence

Co-operatives are autonomous, self-help organizations controlled by their members. If they enter into agreements with other organizations, including governments, or raise capital from external sources, they do so on terms that ensure democratic control by their members and maintain their co-operative autonomy.

5th Principle: Education, Training and Information

Co-operatives provide education and training for their members, elected representatives, managers, and employees, enabling them to contribute effectively to the development of their co-operatives. They inform the general public – particularly young people and opinion leaders – about the nature and benefits of co-operation.

6th Principle: Co-operation among Co-operatives

Co-operatives serve their members most effectively and strengthen the co-operative movement by working together through local, national, regional and international structures.

7th Principle: Concern for Community

Co-operatives work for the sustainable development of their communities through policies approved by their members.

How do Co-ops work?

Co-ops operate by putting the seven principles into action through everyday decisions and responsibilities.

Why could Co-operative Housing be an option for Hinton?

Co-operative housing could be a good fit for Hinton because it provides residents with more control, stability, and support. Members help make decisions, share ownership, and benefit from federal programs that encourage affordable housing.

- Members have control. People who live in the co-op help make the rules and decisions for their housing.
- Everyone gets a vote. Each member has one equal vote in how the co-op is run. Members also decide the entry fees and monthly housing charges.
- More stability. Because the rental market does not drive co-ops, they are less affected by rising rents or landlord decisions. This makes them a more secure housing option.
- Federal funding is available.
 - The Canada Mortgage and Housing Corporation (CMHC) has supported co-op housing with loans and grants. (Note: some programs are now closed.)
 - The new Build Canada Homes agency will create more affordable homes across the country. It focuses on non-market housing, mixed-income communities, and reducing homelessness.

Additional Resources

Co-ops in Alberta follow a mix of principles, bylaws, and laws. The main laws that apply include:

- Co-operatives Act and Regulations – rules on how co-ops are formed and run (Part 18, Division 1 deals with housing co-ops).
- Human rights laws – ensuring fairness and equal opportunity.
- Principles of natural justice – basic rules of fairness and due process.

In addition, each co-op creates its own bylaws, policies, and procedures. These set out how the corporation works day-to-day, including:

- electing a board of directors,
- approving annual budgets, and
- keeping reserve funds for repairs and long-term upkeep.

Helpful Links:

[Alberta Co-operatives Act](#)

[Alberta Co-operatives Regulation](#)

[Alberta Human Rights Commission](#)