ACTION BRIEF

PARTNERSHIPS TO HOUSE OUR WORKERS

MISSION: AFFORDABLE

CIVIC ACTION

CivicAction is a catalyst for positive change, turning collaboration into action to build better, more inclusive cities across the Greater Toronto and Hamilton Area (GTHA). **Learn more at civicaction.ca**

Our housing system was largely designed for a different era, one in which those in deepest need could access government support for housing and where many employed residents could find suitable homes through the private market. But a growing number of working households today earn too much to qualify for traditional affordable housing programs and too little to afford market housing. In the GTHA, this gap impacts half of all households, including:

- Early childhood educators, social workers, not-for-profit employees
- Personal support workers, medical technicians, early career nurses
- Retail workers, food service staff, hospitality workers, transit operators
- Performers, freelancers, arts and culture workers, gig workers

Comprehensive strategies across regions, provinces, and the nation must touch all points of the housing continuum, from acute crisis intervention to preventative housing stabilization. Workforce housing is a critical prevention strategy: today's middle-income worker struggling with unaffordable rent or mortgage costs may face housing insecurity tomorrow. By delivering workforce housing proactively at speed and scale, we can prevent the downstream crisis of diverse working people and families pushed to their financial breaking point.

Through our **Call-to-Action reports**, CivicAction highlights the human and economic consequences of this challenge. Our **Workforce Housing Affordability Playbook for Action**, informed by more than 350 cross-sector leaders, identifies practical actions essential partners in the housing ecosystem must take together to reduce building costs, align prices with incomes, and accelerate delivery. Leaders must work to unlock partner-driven solutions and leverage their unique expertise, enabling other partners to play their roles, too.

We define **workforce housing** as rental or ownership housing attainable to moderate and middle-income households earning **$40,000 to $125,000** annually before tax (approximately **60-120% of Area Median Income**), with emphasis on workers who power our cities (see p. 4 for more details).

THE CASE FOR URGENT ACTION

500,000+

residents have left the GTHA over the past decade for more affordable regions (CivicAction, *The Human Story of Workforce Housing*, 2025)

58%

of Canadians believe employers should play a role in housing affordability for their workers (Abacus Data, June 2026)

$5.88-$7.98 BIL

in direct economic losses to the regional economy each year due to housing affordability challenges (CivicAction, The Human Story of Workforce Housing, 2025)

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Canadians support government action to encourage workforce housing partnerships (Abacus Data, June 2026)

ESSENTIAL WORKFORCE HOUSING PARTNERS

CivicAction's Workforce Housing Playbook for Action calls on leaders like you to focus on what you can do and how you can enable others to act, reducing barriers, aligning efforts, and creating the conditions for more housing to be delivered faster and more affordably.

PARTNER	RECOMMENDATION	IMPACT
Demand Anchors (employers and unions in healthcare, education, social services, and more)	Strengthen housing viability through "demand commitments" such as employer-supported nominations, pre-purchases, or occupancy guarantees that enhance credit while prioritizing housing for your workers. Employers can also contribute land, integrate workforce housing into future developments, and advocate for initiatives and systems change that support their workforce.	**Strengthened workforce housing project feasibility**
Mission Stewards (non-profits, housing co-ops, community land trusts)	Expand mixed-income housing through preservation and new development, building long-term developer partnerships that leverage shared expertise, improve efficiencies, and reduce costs. Mixed-income models can also create more resilient operating models that strengthen financial sustainability and preserve affordability over time.	**Expanded mixed-income housing models and deepened partnerships**
Development Experts (non-market and private developers)	Increase workforce housing supply through partnerships that make affordable units viable within market-rate developments. Working with employers, governments, and non-profits, alongside construction innovation and efficiency, can lower costs and improve feasibility. A broader mix of housing types, including larger high-rise units and "missing middle" housing, can also better meet market demand.	**Increased choice and delivery of affordable housing supply**
Capital Providers (lenders and institutional investors)	Establish workforce housing as a recognized investment category by increasing allocations to mixed-income projects with measurable social and economic returns. Greater investment from pension funds, insurance companies, and other institutional investors can unlock patient capital and improve feasibility, while partnerships with governments and employers can create scalable investment platforms, such as trusts that pool capital and leverage credit enhancements.	**Expanded financing options for affordable projects**

PARTNER	RECOMMENDATION	IMPACT
Indigenous Communities and Organizations	Advance workforce housing through Indigenous-led models that leverage land assets, partnerships, policy flexibility, and public financing programs to create affordable housing and economic development opportunities for your community members.	**Advance Indigenous-led housing and economic development**
Community Partners (neighbourhood groups, resident organizations)	Convene your residents and local organizations early to build consensus around workforce housing needs, identify shared community benefits, and communicate a coordinated voice to developers and decision-makers.	**More informed and constructive development conversations**
Government of Canada (Housing, Infrastructure and Communities Canada, Build Canada Homes, Canada Mortgage & Housing Corporation, Department of Finance Canada)	• Develop a common workforce housing definition, measurement framework, and reporting approach with provincial and territorial governments to improve consistency and investment readiness. • Establish a Workforce Housing Credit Enhancement Facility with Ontario using loan guarantees, first-loss protection, interest-rate buydowns, and revenue guarantees to reduce risk and improve project viability. • Create a Workforce Housing Investment Trust with Ontario to pool capital across projects, achieve scale, mobilize institutional investment, and attract patient capital.	**Creates the policy and financial conditions to de-risk investment and scale workforce housing development**
Province of Ontario (Ministry of Municipal Affairs & Housing, Infrastructure Ontario, Ministry of Finance, Ministry of Health, Ministry of Education)	• Adapt existing housing funding, financing, tax, land, and incentive programs to explicitly support middle-income housing while maintaining commitments to deeply affordable and community housing. • Enable hospitals, school boards, and other major employers to contribute land, occupancy guarantees, partnerships, and financing through clear tenancy rules, standardized partnership frameworks, and expanded tools that reduce project risk.	**Creates the policy, regulatory, and program conditions to enable workforce housing delivery**
Municipalities (upper-and lower-tier)	Use planning, zoning, density permissions, public land strategies, and transit-oriented development policies to increase the supply of housing affordable to middle-income households in strategic growth areas.	**Aligns planning and incentives to encourage workforce housing in strategic growth areas**

WORKFORCE HOUSING: DEFINING THE POLICY GAP FOR ACTION

We need to fill the workforce housing gap, estimated at 15,000 housing units annually in the GTHA. But this kind of housing lacks a clearly defined place in the housing investment landscape, and that has made it difficult to finance and scale. We need to change this now - and we can do it.

POLICY TO LEARN FROM:

Florida, Massachusetts, & US Federal Programs — Income-based: 60-120% AMI

Improve affordability in high-cost areas for middle-income families through targeted programs and financial tools

New South Wales & Melbourne, AUST — Occupation-based: Key Workers

Support recruitment and retention of essential workers through planning frameworks and targeted eligibility

Vancouver, BC, CAN — Exploring hybrid workforce housing approaches

Healthcare worker housing development prompted Council to explore broader workforce housing opportunities and public tools to support future projects

CivicAction's Definition of Workforce Housing for the GTHA

Rental or ownership opportunities affordable to households earning 60–120% of local Area Median Income annually (approximately $40,000–$125,000 in the GTHA)

Intended for households often "priced out" of deeply affordable housing but generally unable to afford market housing

Flexible eligibility based on income with occupation and local needs guiding delivery

We identified where market housing becomes unaffordable using household income, housing-cost data, and the 30% affordability threshold (BCG & CivicAction, *Greater Toronto and Hamilton Area Housing Crisis: Hidden Costs, Bold Solutions*, 2025).

EFFECTIVE POLICY DEFINITIONS WILL:

1. Use local Area Median Income (AMI) as the primary benchmark, rather than Average Market Rent (AMR)
2. Anchor eligibility in income while allowing occupation to guide delivery, based on local need
3. Avoid narrow definitions of "essential workers" and focus on moderate and middle-income workers

WHAT WORKFORCE HOUSING DEFINITIONS IN POLICY UNLOCKS:

Consistency across jurisdictions through shared definitions, eligibility, and measurement

Market signals for investment by establishing workforce housing as a recognizable real estate category

Targeted programs and incentives to address diverse housing needs across the housing continuum

Clarity of roles and expectations for partners, enabling more coordinated delivery

CIVICACTION'S WORKFORCE HOUSING CALL-TO-ACTION SERIES

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The Why | The Human Story of Workforce Housing
Defines who needs workforce housing and the social, economic, and personal impacts of unaffordability

The Math | Cracking the Code of Affordable Housing for Workers
Examines the costs, policies, financing, delays, and income gaps that shape workforce housing viability

The What | Partnerships that Deliver Affordability
Explores how housing partners can strengthen delivery and create opportunities for new participants

The Action Plan | Workforce Housing Affordability Playbook for Action
Provides a practical roadmap to build, test, and scale partnerships that deliver affordable workforce housing across the GTHA

AS A PARTNER IN URGENT WORKFORCE HOUSING ACTION:

1. **Use your influence** to get workforce housing defined here in policy, plans, and investment criteria across the housing ecosystem
2. **Use your voice** to address the under-met needs of "squeezed out" workers and share these solutions
3. **Explore the art of the possible** with essential Playbook partners – even the "unusual suspects"– with the goal of delivering affordability for workers

JOIN THE MISSION

KEY SOURCES: GLOBAL PRECEDENTS

City of Melbourne. (2024, May). Key worker housing definition: Future Melbourne Committee presentation.

City of Vancouver. (2026, May 20). Work to live, live near work: Affordable workforce housing for healthcare workers (Council Members' Motion No. 5).

Congressional Research Service. (2026, March 25). Workforce or middle-income housing: Analysis and policy considerations

Florida Housing Coalition. (2025). Overview of the Live Local Act 2025.

MassHousing. (May, 2019.). Workforce housing. Massachusetts Housing Finance Agency.

NSW Government. (2025, July). Key Worker Accommodation Program.

UK Government. (2026, July 15). Particular benefits: housing for key workers – overview: eligibility.

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