



Minister Chrystia Freeland, P.C., M.P.
Deputy Prime Minister and Minister of Finance
Via email: Chrystia.Freeland@parl.gc.ca

February 7, 2022

Dear Minister:

The Canadian Housing and Renewal Association (CHRA) is the national association representing the interests of the non profit, social and affordable housing sector in Canada. On behalf of the members of CHRA, we are pleased to respond to your invitation to submit recommendations for the content of the forthcoming 2022 federal Budget.

Over the past number of years, the federal government has reengaged in the non profit and affordable housing sector through a number of key programs – the 2017 National Housing Strategy, the 2019 National Housing Strategy Act containing right to housing legislation, and the 2020 announcement of the Rapid Housing Initiative and pledge to eliminate chronic homelessness are notable examples. However, as outlined below, there remain significant gaps in the federal government’s housing policy, and despite the programs and policies introduced, there remains significant demand and need for a more comprehensive framework to address the lack of access to safe, affordable housing throughout Canada. Furthermore, the increasing encroachment of financialization of the existing housing stock is putting at risk the current supply of affordable housing already in place.

In order to address these gaps in federal housing policy, CHRA is recommending that the following measures be taken in the forthcoming federal Budget:

- ***Introduction of an urban, rural and northern Indigenous housing strategy:*** The lack of an urban, rural and northern (URN) Indigenous housing strategy has been the most blatant gap in the federal National Housing Strategy. The past 2 Mandate Letters to the Minister responsible for housing have called for its implementation, the Standing Committee on Human Resources unanimously called for its creation in May 2021, and countless studies and surveys conducted by the CHRA Indigenous Caucus and others have demonstrated the need and necessity for an URN Indigenous housing strategy. In 2018, the CHRA Indigenous Caucus presented the federal government with a vision and plan for a ‘For Indigenous, By Indigenous’ URN housing strategy that contained the vision for the funding, governance, and structural components of a strategy – a vision that was endorsed by the Parliamentary Committee report in 2021. We strongly recommend that the federal government act now by implementing an URN Indigenous housing strategy as envisioned by the CHRA Indigenous Caucus’ 2018 For Indigenous, By Indigenous report.

- ***Measures designed to increase community housing supply and facilitate access to supply programs:*** Increasing the supply of community housing is an obvious, yet critical step towards addressing core housing need in Canada. Certain measures have been taken in this regard – the 10 year, \$13 billion National Coinvestment Fund and the two phase, \$2.5 billion Rapid Housing Initiative are examples. However, these measures remain insufficient to address the growing demand and need for affordable housing. In order to dramatically increase the supply of affordable housing, we recommend the following:
 - *Improve the Coinvestment Fund:* Since its launch, the Coinvestment Fund has been plagued with challenges related to its application process, transparency, and the lengthy evaluation processes. Furthermore, in his 2021 report, the Parliamentary Budget Officer revealed that Coinvestment Fund monies are not being disbursed in accordance with annual allocations, meaning available resources are not being used to build and sustain community housing. We would strongly urge the federal government through CMHC to make improvements to the Coinvestment Fund to increase access to, and expedite the issuance of monies through the program.
 - *Introduce a permanent Rapid Housing Initiative or similar supply program:* As you know, the Rapid Housing Initiative is a \$2.5 billion program that over two phases has provided capital investments in community housing that can be developed and implemented in a timely manner. This program has been generally well received by the community housing sector, and as such, CHRA would recommend adoption of a more permanent-type program that would support developments including modular housing, acquisition, and other types of innovation housing solutions that would allow for timely development of housing.
 - *Increase access to lands as a step towards development:* Land is a key component of any affordable housing project. In the National Housing Strategy, the Federal Lands Initiative was provided \$20 million per year to transfer surplus federal lands to non profit housing providers for development purposes. We would encourage the federal government to expand the mandate of this program to include other forms of land transfer, including direct support for local land trusts, and increase resources accordingly.
- ***Introduce measures to curtail financialization:*** There is growing evidence of the impacts that financialization is having in eliminating the supply of affordable housing in Canada. Through Real Estate Investment Trusts (REITs), market-based procurement, and other vehicles, there is a growing threat to the supply of affordable housing and an increase in ‘renovictions’. During the 2021 federal election, your party pledged to introduce measures to address and curb the growing financialization of housing. We would encourage you to consider a suite of measures aimed at addressing and curbing financialization – CHRA and our partners would be happy to work with your officials to work on the details surrounding implementation of those specific measures.

- **Introduction of the proposed Municipal Accelerator Fund:** During the 2021 federal election, your party committed to introducing a \$4 billion Municipal Accelerator Fund that would provide supports to municipalities in order to reduce barriers to developing new affordable housing. We support this initiative, and have sent a separate letter to your colleague Minister Hussen outlining our views on how and what this Fund could be used for. I have appended a copy of this letter for your information.

There is no one “magic bullet” that will address core housing need in Canada. The National Housing Strategy was a positive start, but more tools in the federal housing toolkit will be required to address the very real crisis happening with respect to provision of safe and affordable housing.

Thank you for taking the time to review these recommendations. We look forward to working with you and your colleagues to ensure that we can meet our common objective of Housing for All.

Yours truly,

A handwritten signature in black ink, appearing to read 'Jeff Morrison', with a stylized flourish extending to the right.

Jeff Morrison
Executive Director

CC: Hon. Ahmed Hussen, Minister of Housing and Inclusion and Diversity