

# Blueprint for Housing

The Canadian Housing and  
Renewal Association



# Table of Contents

Introduction	Page 2
Summary of recommendations	Page 3
Chapter 1: Urban, Rural, and Northern Indigenous Housing: Implementing Reconciliation for Indigenous peoples	Page 6
Chapter 2: Community Housing Supply: Meeting the needs of the next generation	Page 9
Chapter 3: Existing Community Housing Stock: Repair and renewal	Page 14
Chapter 4: Maintaining Affordability	Page 18
Chapter 5: A Home for All: Eliminating homelessness and strengthening supportive housing	Page 21
Chapter 6: A “Team Canada” Approach to Housing	Page 25
Conclusion	Page 29

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# Introduction

The Canadian Housing and Renewal Association (CHRA) is the national voice for the social, affordable, and non-profit housing sector in Canada. Our members collectively house, shelter, and support hundreds of thousands of Canadians. The Blueprint for Housing is a comprehensive policy document created in consultation with our members and other leaders in the housing and homelessness sector.

The catalyst for creating the Blueprint was born of a sector-wide realization: that existing housing policies and programs are not doing enough to ensure that all who live in Canada have homes that are affordable and meet their needs. With growing momentum behind addressing housing shortfalls, including among non-traditional actors, a blueprint for a new generation of policies and programs that will create affordable housing more effectively and end chronic homelessness is needed.

That said, progress on Canada's housing issues does not come without challenges. The affordable housing sector has been grappling with the difficulties associated with the expiry of operating agreements and the ongoing prevalence of NIMBYism. Housing supply is lagging far behind demand, the current stock of affordable housing is aging, and governments are facing unprecedented fiscal constraints. To prosper, the affordable housing sector needs more than the status quo. We need new, creative solutions to address the country's housing problems and ensure all who live in Canada have access to safe, appropriate, affordable housing.

The role of the federal government as it relates to housing has ebbed and flowed throughout Canada's history. Effectively addressing Canada's current housing issues requires strong federal leadership through new and enhanced programs and a commitment to championing housing action with other levels of government, organizations, and the private sector. Fulfilling the goals of the Blueprint also requires working in collaboration with Canada Mortgage and Housing Corporation (CMHC), provinces, territories, municipalities, Indigenous organizations, and other partners, including the private sector, to find common ground to address our shared vision.

These opportunities and challenges can be navigated by focusing on policies, programs, and partnerships that fall under key areas outlined in this document. These chapters encompass key areas of interest for the affordable housing sector:

1. Urban, Rural, and Northern Indigenous housing: Implementing Reconciliation for Indigenous peoples
2. Community Housing Supply: Meeting the needs of the next generation
3. Existing Community Housing Stock: Repair and renewal
4. Maintaining Affordability
5. A Home for All: Eliminating homelessness and strengthening supportive housing
6. A "Team Canada" Approach to Housing



# Summary of Recommendations

## Urban, Rural, and Northern Indigenous Housing: Implementing Reconciliation for Indigenous peoples

- 1. Implementing a “For Indigenous, By Indigenous” housing strategy.** Implementation of the recommendations contained in the 2018 proposal from the CHRA Indigenous Caucus for a “For Indigenous, By Indigenous” (FIBI) housing strategy with the timely creation of a governance body that provides for self-determination of housing programs by representatives of urban, rural, and northern (URN) Indigenous peoples.
- 2. Supporting Indigenous self-determination.** Adoption by the federal government of a principle of self-determination for all current and future housing policies related to urban, rural, and northern Indigenous peoples, and the establishment of a dedicated organizational structure that would be tasked with developing and implementing Indigenous housing policy.
- 3. Preserving existing Indigenous community housing stock.** Inclusion of resources and programs that provide for the renovation of the existing stock of Indigenous community housing as part of a comprehensive urban, rural, and northern Indigenous housing strategy.
- 4. Building an evidence-based approach to Indigenous community housing.** The provision of a mandate and resources to conduct building assessments, Indigenous homelessness research, and to pursue other data and research needs that would support the implementation of an URN Indigenous housing strategy within the FIBI organizational structure.
- 5. Championing an URN Indigenous housing strategy.** Promotion and education by the federal government to other orders of government and public entities on the importance of a For Indigenous, By Indigenous approach to URN Indigenous housing and the coordination of approaches, programs, and policies with other orders of government in creating a pan-Canadian approach to URN Indigenous housing.

## Community Housing Supply: Meeting the needs of the next generation

- 6. Ensuring the provision of land for community housing development.** The introduction of a dedicated permanent land acquisition policy that would allow the federal government to acquire and transfer provincial, territorial, municipal, and/or private sector lands for the purpose of community housing development.
- 7. Increasing the rate of community housing development.** The establishment of a long-term national objective and annual targets for the creation of new community housing units in Canada with a minimum objective of doubling the proportion of community housing units by 2035.
- 8. Making funding applications more accessible.** The development of integrated, aligned application processes to funding programs at all levels of government which are created in consultation with the affordable housing sector to ensure application requirements are accessible to community housing providers.

- 9. Making property acquisition simpler.** The creation of a permanent program that would allow community housing providers to acquire residential or non-residential buildings for the purposes of converting them to affordable housing units.
- 10. Building professionalism and capacity in the housing sector.** The addition of skills development and human resource capacity growth as eligible expenses in all current and future capital programs and prioritization of the development and scaling up of materials and opportunities to professionalize the community housing workforce as part of future innovation and research-related initiatives undertaken by CMHC.
- 11. Maximizing the effectiveness of the Housing Accelerator Fund.** Implementation and monitoring of the effectiveness of the Housing Accelerator Fund, along with an ongoing discussion among municipalities facilitated by CMHC to share best practices on effective policies aimed at community housing development.
- 12. Combatting NIMBYism.** The introduction of a federal public relations campaign designed to counter NIMBYism and promote the value of community housing in Canada.

## Existing Community Housing Stock: Repair and renewal

- 13. Simplifying the application process for funds related to housing renewal.** The review of all existing federal programs that provide support for the renewal and repair of community housing with the goal of reducing complexity, inefficiencies, and redundancies in the application process.
- 14. Aligning government programs and policies.** The alignment of similar programs and policies between orders of government, led by CMHC, including application processes, eligibility, timelines, and funding consistency.
- 15. Building a greener housing sector.** The allowance of incremental costs associated with improved energy efficiencies to be considered eligible expenses in all current and future programs that support the renewal and repair of existing community housing stock.
- 16. Creating accessible housing.** Encouragement of the principle of universal design in all current and future federal programs aimed at repair and renewal of the existing stock and the eligibility of incremental costs associated with universal design in these programs, alongside increased training opportunities and resources to encourage the use of universal design principles.

## Maintaining Affordability

- 17. Ensuring the future of rental subsidy programs.** The adoption, as a guiding principle of federal housing policy, that the federal government has an ongoing, permanent role to play in the provision of rental subsidies for community housing.
- 18. Planning for rental subsidy programs.** The introduction of a predictable, guaranteed, long term rental subsidy framework that guarantees ongoing rental subsidies.
- 19. Ensuring the distribution of rental subsidies across the country.** The inclusion of a requirement to report publicly on metrics and accountable measures to ensure that rental subsidy transfers to the provinces and territories for the purposes of maintaining and expanding provincial/territorial rental subsidies are being used for their intended purposes.
- 20. Ensuring rental subsidies reach those who need them most.** Prioritization of the use of portable rental subsidies in community housing.

## **A Home for All: Eliminating homelessness and strengthening supportive housing**

- 21. Working to eliminate homelessness.** The revision and expansion of Reaching Home to include clear performance metrics and to endow it with sufficient funding to fully eliminate chronic homelessness by 2028.
- 22. Increasing support services.** The creation of conditions on Canada Health Transfer and Canada Social Transfer funds that reflect the goals of Reaching Home, including increased access, flexibility, and funding to incentivize the growth of supportive services, to entrench the relationship between housing and health in federal policy.
- 23. Developing more supportive housing.** The creation of a Healthier Communities Transformation Fund that finances the operation, exploration, and growth of supportive housing models to complement Reaching Home.

## **A “Team Canada” Approach to Housing**

- 24. Creating partnerships to increase affordable housing development.** The creation of a Canadianized Low-Income Housing Tax Credit to incentivize private sector investment in affordable housing projects, while maintaining non-profit and municipal management.
- 25. Limiting the financialization of housing.** Collaboration between the federal government and provincial and territorial governments to explore the regulation of real estate investment trusts to curtail the financialization of affordable housing.
- 26. Increasing housing across the housing spectrum.** The addition of housing clauses in Infrastructure Bilateral Agreements between Infrastructure Canada and provincial and territorial partners that provide incentives to build the capacity of local authorities and redevelop existing assets to increase the supply of new homes across the housing spectrum.
- 27. Modernizing the housing sector.** The creation of a stream within CMHC’s Affordable Housing Innovation Fund that will develop innovative housing technologies and practices and provide capital funding for projects employing innovations that will lead to reduced costs, project timelines, and environmental footprint in future housing projects.





# 1. Urban, Rural and Northern Indigenous Housing: Implementing Reconciliation for Indigenous peoples

There is no question that housing outcomes for Indigenous peoples living in urban, rural, and northern (URN) settings are considerably poorer when compared to the non-Indigenous population. Despite the evidence to this effect, the 2017 National Housing Strategy contained no strategy or plan to improve and expand housing options for urban, rural, and northern Indigenous peoples. In the years since the National Housing Strategy was announced, two Mandate Letter directives were outlined to the Minister responsible for housing and the federal government has provided funding and support for three distinctions-based housing strategies, yet housing conditions for URN Indigenous peoples have continued to worsen, and there is no comprehensive strategy for addressing these issues.

The lack of a comprehensive approach to addressing urban, rural, and northern Indigenous housing remains the “missing gap” in the National Housing Strategy. CHRA proposes the following recommendations to address urban, rural, and northern Indigenous housing so that we can work towards Reconciliation:

## **Implementing a “For Indigenous, By Indigenous” housing strategy**

In 2018, the CHRA Indigenous Caucus released its proposal for a comprehensive urban, rural and northern Indigenous housing plan. This document contained several key recommendations, including dedicated funding for new URN Indigenous housing, the creation of a dedicated organization to oversee an URN Indigenous housing strategy, and a dedicated housing plan for the north. This FIBI vision remains the CHRA Indigenous Caucus’ key priority and proposal for a comprehensive URN Indigenous strategy.

The directive to create an URN Indigenous housing strategy was contained in the 2019 and 2021 Mandate Letters to the Minister responsible for housing, yet to date there has been no such strategy introduced. The time has come for an URN Indigenous strategy to be announced, implemented, and properly funded without further delay as the first step as part of a broader and expanded National Housing Strategy.

**Recommendation:** Implementation of the recommendations contained in the 2018 proposal from the CHRA Indigenous Caucus for a “For Indigenous, By Indigenous” (FIBI) housing strategy with the timely creation of a governance body that provides for self-determination of housing programs by representatives of urban, rural, and northern (URN) Indigenous peoples.

## **Supporting Indigenous self-determination**

It is imperative that future Indigenous housing policies and programs be designed and led by Indigenous representatives. The principle of self-determination is a core principle in the United Nations Declaration on the Rights of Indigenous Peoples (which Canada has ratified), the Truth and Reconciliation

Commission's Calls to Action, and the Final Report from the National Inquiry into Missing and Murdered Indigenous Women and Girls.

The 2018 For Indigenous, By Indigenous strategy released by the CHRA Indigenous Caucus and the 2021 final report of the House of Commons Standing Committee on Human Resources on Urban, Rural, and Northern Indigenous Housing both recommended the establishment of a dedicated organization to oversee an URN Indigenous housing strategy. It is critical that this body, governed by representatives from urban, rural, and northern Indigenous housing providers, be made permanent in nature, not a temporary body meant to address a short-term funding program.

**Recommendation:** Adoption by the federal government of a principle of self-determination for all current and future housing policies related to urban, rural, and northern Indigenous peoples, and the establishment of a dedicated organizational structure that would be tasked with developing and implementing Indigenous housing policy.

### **Preserving existing Indigenous community housing stock**

Over many decades, URN Indigenous housing providers have built up a considerable supply of Indigenous housing stock; however, that housing is aging and in need of significant repair and renovation. A report commissioned by the Indigenous Caucus in 2019 estimated that the cost to repair the existing stock of Indigenous housing would be approximately \$725 million, conservatively.

The loss of existing affordable URN Indigenous housing units signifies a step back in the objective of providing safe, affordable housing for all URN Indigenous peoples. The loss of existing units will accelerate over time given the age of the existing stock unless immediate resources for repairs and renovations are introduced. CHRA and the Indigenous Caucus are calling for dedicated resources to enable URN Indigenous housing providers to repair and renovate existing units, and for the program to be implemented by the FIBI organizational structure recommended above.

**Recommendation:** Inclusion of resources and programs that provide for the renovation of the existing stock of Indigenous community housing as part of a comprehensive urban, rural, and northern Indigenous housing strategy.

### **Building an evidence-based approach to Indigenous community housing**

Taking action to improve URN Indigenous housing requires a comprehensive national picture on the state of URN Indigenous housing and statistics on the number of and needs of Indigenous individuals facing homelessness, particularly Indigenous youth, and women.

The FIBI organizational structure previously recommended must be provided with a mandate and resources to collect data, perform analyses, and conduct research to better understand the state and condition of the current supply of URN Indigenous housing and homelessness among Indigenous populations. The scope and mandate of these efforts should be expanded at the direction of the FIBI organization.



**Recommendation:** The provision of a mandate and resources to conduct building assessments, Indigenous homelessness research, and to pursue other data and research needs that would support the implementation of an URN Indigenous housing strategy within the FIBI organizational structure.

## **Championing an URN Indigenous housing strategy**

Although it's critical for the federal government to develop programs, approaches, and policies aimed at urban, rural, and northern Indigenous housing, provinces, territories, municipalities, and other federal government departments beyond CMHC play key roles. If we are to realize the objective of strengthening and increasing access to URN Indigenous housing, these other entities need to share the same commitment to the For Indigenous, By Indigenous principles and to coordinate funding programs and policy directions.

The lack of coordination between federal, provincial, territorial, and municipal governments when it comes to introducing and implementing housing policies has been a consistent theme throughout the Blueprint for Housing consultation process. The same observation has been made from an URN Indigenous perspective. Often there are competing or contradictory approaches between orders of government and sometimes within individual governments. It is critical that there is a common set of principles, including self-determination, that all governments adhere to, and that policies and programs are coordinated between orders of government.

The federal government can demonstrate leadership by building common awareness and acceptance of the FIBI approach with other governments and entities, which would in turn facilitate the coordination and collaboration on specific policies and programs that would be administered by the FIBI organization recommended above.

**Recommendation:** Promotion and education by the federal government to other orders of government and public entities on the importance of a For Indigenous, By Indigenous approach to URN Indigenous housing and the coordination of approaches, programs, and policies with other orders of government in creating a pan-Canadian approach to URN Indigenous housing.



## 2. Community Housing Supply: Meeting the needs of the next generation

Canada needs more community housing stock. Federal withdrawal from the non-profit housing sector starting in the mid-1980s meant that an insufficient supply of non-profit housing has been built in the intervening years. This combined with the fact that incomes have not kept up with rising rents over the past several years has increased the demand for affordable housing.

Increasing the supply of community housing was one of the key policy objectives of the 2017 National Housing Strategy. Programs such as the Federal Lands Initiative, the National Housing Co-Investment Fund, and later, the Rapid Housing Initiative (RHI) were all designed to increase overall supply of affordable housing.

However, according to the August 2021 report of the Parliamentary Budget Officer, the impact of the National Housing Strategy supply programs has been negligible thus far. According to that report, as of October 2020, only 4,270 units of new affordable housing had received financial commitments under the National Housing Co-Investment Fund, and 7,960 units of new affordable housing had received funding under the Rental Construction Financing Initiative. Legitimate questions have been raised as to whether these units should be considered affordable.

According to CMHC, there are currently approximately 1.7 million households considered to be in core housing need in Canada, spending over 30% of household income on housing costs. Building enough housing to eliminate core housing need is a daunting initiative, one that will not happen overnight. It is not an objective that the federal government can achieve alone; it will need the support and partnership of provinces and territories, municipalities, Indigenous bodies, and the private sector. However, with the right policy mix, foresight, and will, we believe that the federal government can provide the tools and leadership necessary to align key stakeholders in pursuit of this objective.

There is no one solution that the federal government can use to increase the supply of community housing; an effective supply-based strategy must bring together key partners to create a multifaceted solution. There are tools and initiatives that the federal government can use to increase the net supply of community housing over the coming decades. These include:

### **Ensuring the provision of land for community housing development**

Land acquisition is one of the biggest cost components of developing new community housing. Acquiring supply of serviceable land that is close to amenities, mass transit, greenspace and other desirable considerations is difficult task for community housing providers. At present, the federal government has two primary programs that can assist non-profit developers acquire land, notably:

- **Rapid Housing Initiative:** A COVID-19 response program, the Rapid Housing Initiative is a \$4 billion, three-phase program that has provided contributions to providers to acquire properties or build new

housing units, which also covered the costs of purchasing land. Budget 2022 included a commitment that the third phase of this program would begin in 2022-2023.

- **Federal Lands Initiative:** Originally announced in the 2017 National Housing Strategy, the Federal Lands Initiative is a 10-year, \$200 million program that transfers surplus federal lands to housing providers at no cost.

Although these programs provide some support, they are insufficient to meet the land needs required for new development. CHRA recommends that the federal government introduce a new permanent, centralized Land Acquisition Program that would make available serviceable land to community housing providers at no cost. Such a program could be based upon the Federal Lands Initiative but could be expanded to allow the federal government to acquire provincial, territorial, and private sector lands for transfer to community housing developers.

This program could be developed in collaboration with community land trusts (CLTs) - not-for-profit corporations that own and manage land for affordable housing indefinitely. They remove property from the competitive market and bring affordable housing sector resources together to preserve and create assets that benefit the community. This would result in a range of housing opportunities, including housing co-operatives, non-profit rental housing, and affordable home ownership.

**Recommendation:** The introduction of a dedicated permanent land acquisition policy that would allow the federal government to acquire and transfer provincial, territorial, municipal, and/or private sector lands for the purpose of community housing development.

## Increasing the rate of community housing development

Throughout the Blueprint consultation process, CHRA members noted that although the federal government has various overall objectives, they have not yet materialized into annual targets for the number of net units of community housing to be developed. CHRA members also suggested that targets for the number of community units developed in Canada must rise over time to meet the 2030 objective.

We propose an ambitious, but realistic goal to double the proportion of housing in Canada considered community housing by the year 2035, moving Canada from approximately 5% of the housing stock considered affordable to at least 10%. This would build a buffer of long-term, affordable housing for those in greatest need.

**Recommendation:** The establishment of a long-term national objective and annual targets for the creation of new community housing units in Canada with a minimum objective of doubling the proportion of community housing units by 2035.

## Making funding applications more accessible

The federal government, operating through CMHC, has put in place a number of programs designed to increase the supply of affordable housing – the National Housing Co-Investment Fund and the Rental Construction Financing Initiative are two of the most recent examples. However, for many years CHRA members have expressed concern about the complex application processes for these programs. For



example, the National Housing Co-Investment Fund's complex, 200-question application questionnaire has dissuaded many housing providers, particularly small providers, from accessing this program, reducing their opportunities to grow their stock. For many non-profit housing providers, many of whom are relatively small, a lack of resources necessary to complete complex application processes is a disincentive to applying, especially when completion of application processes requires financial investment.

When initiating new development projects, housing providers are typically forced to integrate multiple programs and multiple funding sources, often from different orders of government. Typically, these multijurisdictional programs have different criteria, different timeframes, different application requirements, etc., adding time and complexity to the development process; this need not be the case. In 2020, the City of Calgary and CMHC introduced a new "one stop shop" application process that allowed housing providers to apply to both CMHC and City of Calgary housing funding programs simultaneously, with the hope that the Province of Alberta will participate in the future.

As a long-term policy objective, greater alignment between supply funding programs among orders of government would be a significant improvement in the housing development process, allowing for a more seamless and faster path by which new housing developments could be funded and approved. Key to this approach would be to design program applications in consultation with the affordable housing sector to ensure they are accessible to non-profit housing providers.

**Recommendation:** The development of integrated, aligned application processes to funding programs at all levels of government which are created in consultation with the affordable housing sector to ensure application requirements are accessible to community housing providers.

## **Making property acquisition simpler**

As discussed above, in 2020, the federal government introduced the RHI, a program designed, among other things, to provide housing providers and municipalities with funding to acquire non-residential buildings and land for the purposes of converting them to affordable housing. The initial funding provided under RHI was \$1 billion, which was enhanced several months later by a second round of the program valued at \$1.5 billion. Budget 2022 provided an additional \$1.5 billion for a third round of the program to be rolled out in 2022 and 2023. The RHI has been welcomed by CHRA members, especially during the COVID-19 pandemic when there was a need for quick housing solutions.

The drawback to the RHI is that it is time limited. Once funding for each phase is fully allocated, there are no other federal programs in place to facilitate property acquisition. CHRA and its members firmly believe there must be a permanent, ongoing federal program in place to facilitate acquisition. This could be accomplished by creating a permanent version of RHI, and/or by amending the guidelines of existing capital funding programs, such as the Rental Construction Financing Initiative to allow for acquisition as an allowable expense.

The existing RHI program only permits the acquisition of non-residential properties. A permanent acquisition program should include greater flexibility by also allowing for acquisition of residential and non-residential buildings.

**Recommendation:** The creation of a permanent program that would allow community housing providers to acquire residential or non-residential buildings for the purposes of converting them to affordable housing units.

## **Building professionalism and capacity in the housing sector**

The community housing sector is incredibly innovative; for decades it has survived and sustained itself with limited resources and public support. If the sector is to grow and expand, it will require a workforce with the right skills and education to lead significant development projects.

At present, there is not sufficient training and educational capacity in place to ramp up the supply of skilled and qualified professionals to lead the next generation of community housing development. Tools and training opportunities do exist; for instance, the Chartered Institute of Housing (CIH) Canada is a national accreditation program designed to provide necessary skills for housing professionals to develop leadership and development skills in the non-profit housing sector. Expanding the reach of programs such as CIH Canada is paramount to developing the capacity of the community housing sector.

**Recommendation:** The addition of skills development and human resource capacity growth as eligible expenses in all current and future capital programs and prioritization of the development and scaling up of materials and opportunities to professionalize the community housing workforce as part of future innovation and research-related initiatives undertaken by CMHC.

## **Maximizing the effectiveness of the Housing Accelerator Fund**

During the Blueprint consultation period, CHRA members repeatedly noted barriers to increasing capacity at a local level, including slow zoning processes, development charges, long permitting processes, etc. Although the federal government has constitutional limits on its influence over municipalities and local housing policy, it can positively influence the development of more housing-friendly practices through two means: financial incentives and negotiation.

Regarding financial incentives, the 2022 federal budget promised a Housing Accelerator Fund to begin operation in 2022-2023, that would provide financial incentives to municipalities to expedite approvals processes. The program should be reviewed once it has been in operation for a few years to ensure that municipal processes are being expedited and to identify practices that could be replicated and scaled up to improve municipal practices.

In terms of negotiation, CMHC could play a facilitation role, possibly in conjunction with an organization such as the Federation of Canadian Municipalities, to encourage the adoption of practices and policies to facilitate community housing development at a municipal level. This could take the shape of an ongoing forum in which municipal representatives can share best practices.

**Recommendation:** Implementation and monitoring of the effectiveness of the Housing Accelerator Fund, along with an ongoing discussion among municipalities facilitated by CMHC to share best practices on effective policies aimed at community housing development.

## Combatting NIMBYism

NIMBYism is a significant barrier to new community housing development. Experienced most notably at a local or municipal level, NIMBYism can impede the development of new community housing, acting as an additional risk for the sector and for federal financing. Some community housing organizations, such as the British Columbia Non-Profit Housing Association, have launched “YIMBY”, or “Yes In My Back Yard” campaigns designed to counter misinformation about the impact of non market housing projects in local communities.

The 2017 National Housing Strategy promised a national promotional and public relations campaign aimed at promoting the value and impact of the community housing sector to counter NIMBYism, but such a campaign has not materialized. The federal government must revisit this commitment and introduce a national promotional campaign aimed to promoting the value and impact of community housing at a community level. Such a campaign would help to delegitimize NIMBYism and help provide a rationale for increased federal activism in the community housing sector.

**Recommendation:** The introduction of a federal public relations campaign designed to counter NIMBYism and promote the value of community housing in Canada.



# 3. Existing Community Housing Stock: Repair and renewal

It is essential that we protect the existing supply of community housing to ensure that it can continue to provide safe, affordable housing in the years to come.

The current stock of affordable housing is aging and has not received the investment necessary to maintain it in a satisfactory condition. As a result, many units are in poor condition for tenants, are energy inefficient, or are no longer habitable.

Insufficient investment in maintaining the existing stock of housing has many negative consequences, including:

- Higher operational costs due to inefficient energy, heating, and cooling systems
- Decreased tenant satisfaction and quality of life as units become increasingly uninhabitable
- Increased stigma and NIMBYism as under-repaired units are perceived negatively by local communities.

There are currently approximately 600,000 affordable housing in Canada. As the table below illustrates, much of the current stock was built prior to 1994, with over 200,000 units built before 1974. As of 2017, approximately 90% of the existing stock of community housing was built before the year 2001.

<b>Time period</b>	<b>Number of units built*</b>
1949-1974	205,000
1964-1978	80,000
1978-1994	260,000
1994-2001	minimal
2001-present	50,000+

\*Excludes housing on reserve, which totals some 27,000 units on reserve (16,000 built prior to 1994).  
(Source: Envisioning a Modernized Social and Affordable Housing Sector in Canada, Steve Pomeroy, December 2017)

Housing providers have been repairing and maintaining the existing stock of community housing with relatively few opportunities for support from the federal government. The most notable program introduced to address this crisis was the 10-year, \$13.9 billion National Housing Co-Investment Fund first announced in the 2017 National Housing Strategy, which provides a combination of grants and loans to eligible housing providers for both new builds and repair of existing housing stock. As of January 2022, of 297 Co-Investment Fund projects announced, only 43 have gone towards renewal or repair projects; these 43 projects cover over 90,000 existing units of community housing, while the total number of new construction units has reached only 18,000.

Throughout the Blueprint consultation process, CHRA members have been clear that repair of the

existing stock of community housing is a top priority. To accelerate and support repair and renewal of the existing stock of housing, the federal government must implement the following recommendations:

### **Simplifying the application process for funds related to housing renewal**

One of the most common critiques of funding programs that target the renewal of existing community housing is their complex, labour intensive application processes. Many community housing providers in Canada are relatively small, with limited resources and in-house expertise. Completing complex application processes, with often unclear timelines, requirements, and/or benefits (often with differing requirements between different federal programs) is time consuming, inefficient, and serves as a deterrent for community housing providers looking to apply for available resources.

Though CMHC and federal departments need information to properly evaluate applications and reduce risk, the federal government must review existing and future application procedures to reduce unnecessary complexity. The application process should also implement a mechanism that requires community housing providers to only input key organizational information once, so that providers are not required to complete multiple forms asking for similar information.

**Recommendation:** The review of all existing federal programs that provide support for the renewal and repair of community housing with the goal of reducing complexity, inefficiencies, and redundancies in the application process.

### **Aligning government programs and policies**

Most provinces, territories and municipalities have programs that assist in the renewal of existing housing in place. For example, the Ontario Priorities Housing Initiative or the Manitoba's \$31 million social housing repair program are intended to fund repairs and renovation to existing stock.

Although support and resources for housing renewal are important, housing providers are often forced to engage with multiple funding sources, each with their own timeframes, eligibility criteria, application processes, funding formulas, and so forth. Housing providers are often in the position of having to coordinate renewal and repair projects across multiple levels of government, sometimes involving different programs within the same order of government. This process is resource-intensive and inherently risky – if one partner or program is unsuccessful or evaluations are not completed in time, the entire development project can potentially fail.

There have been pilot projects launched in Canada that attempt to align programs between different orders of government. In 2019, the City of Calgary and CMHC announced a joint application process for the National Housing Co-Investment Fund and a related municipal fund. This "one stop shop" approach reduced the risk and time associated with applying to different programs that had similar objectives. This pilot program can serve as a model for future programs.

**Recommendation:** The alignment of similar programs and policies between orders of government, led by CMHC, including application processes, eligibility, timelines, and funding consistency.

## Building a greener housing sector

According to Natural Resources Canada, housing accounts for approximately 13% of all greenhouse gases (GHGs) released in Canada, the vast majority related to space and water heating. Community housing providers are aware that they have a responsibility to reduce their energy usage to help address climate change. Reduced energy usage has the added benefit of reduced operational costs and increasing livability of units.

In its application criteria, the National Housing Co-Investment Fund currently requires applications for renovation projects to demonstrate that they will achieve a 25% reduction in energy use and Greenhouse Gas (GHG) emissions relative to past performance. Although there have been concerns by some housing providers as to how to achieve this milestone, there is a consensus that renovation projects should prioritize such criteria. Meeting such energy efficiency goals will typically require increased incremental costs associated with technological enhancements. The incremental cost for meeting a Passive House standard has been estimated at between 5-10% more than a typical renovation project. Costs associated with renewing housing to meet energy efficiency and GHG reduction goals must be considered allowable costs in all current and future programs that support renew and repair of the existing community housing stock.

**Recommendation:** The allowance of incremental costs associated with improved energy efficiencies to be considered eligible expenses in all current and future programs that support the renewal and repair of existing community housing stock.

## Creating accessible housing

Universal design refers to the concept that spaces should be designed to be accessible by all, regardless of age, disability, or other factors. It incorporates such principles as equitable use (all people should be able to access the space); simple and intuitive use; and appropriate size and space for use.

Community housing providers already incorporate principles regarding accessibility and equitability into their daily operations. It is critical that housing units are designed in such a way that they are functional and can be used by tenants regardless of such considerations as physical abilities or age. Incorporation of universal design, particularly when renovating existing units, may have incremental costs associated with it and not all community housing professionals possess the skills or background necessary to incorporate universal design principles into renovation projects.

The incorporation of universal design into the community housing stock is an important long-term goal for both new supply of community housing and the conversion of the existing supply; this can only be achieved if federal renovation programs allow for the incremental costs associated with universal design. The community housing sector should look at resources, tools, and opportunities to provide training on universal design principles to sector professionals.



**Recommendation:** Encouragement of the principle of universal design in all current and future federal programs aimed at repair and renewal of the existing stock and the eligibility of incremental costs associated with universal design in these programs, alongside increased training opportunities and resources to encourage the use of universal design principles.



## 4. Maintaining Affordability

The community housing sector plays a unique role in the housing continuum, providing below market rents to tenants who are unable to afford market rents. A core principle of the community housing sector is that no household should pay more than 30% of its net income on rent.

If the community housing sector is going to be able to continue to offer affordable, below market rents to populations and tenants in greatest need, short- and long-term changes must be made to the federal government's philosophy around housing, including its programs and policies. Based on consultation from CHRA members, we put forth the following recommendations to the federal government to protect and strengthen community housing affordability:

### **Ensuring the future of rental subsidy programs**

With the expiry of operating agreements, and the Federal Community Housing Initiative and Canada Community Housing Initiative only in place until 2028, there appears to be an underlying principle within the federal government that it should not be in the business of providing rental subsidies in the long term, and that once all operating agreements have expired, that the federal government should no longer be providing rental subsidies. This belief should be abandoned.

The federal government has provided rental subsidies to community housing providers for decades, primarily through operating agreements, and more recently, through the Federal Community Housing Initiative. This model helped reduce housing need and homelessness in the 1960s, 1970s and 1980s. The end of new federal operating agreements in the 1990s has been a significant factor in the increased levels of homelessness and core housing need seen today. The federal government must adopt as a guiding principle that it has an ongoing, permanent role to play in the provision of rental subsidies to ensure that community housing is available to those in greatest need. The federal government acknowledges that it has a role to play in other social services such as health care and post-secondary education via the Canada Social Transfer; ongoing, permanent support for rental subsidies should be no different. Ongoing provision of rental subsidies is consistent with a human rights-based approach to housing as captured in the 2019 National Housing Strategy Act.

**Recommendation:** The adoption, as a guiding principle of federal housing policy, that the federal government has an ongoing, permanent role to play in the provision of rental subsidies for community housing.

### **Planning for rental subsidy programs**

The Federal Community Housing Initiative (FCHI) and the Canada Community Housing Initiative (CCHI) are set to expire in 2028, and all remaining operating agreements are set to expire in the mid-2030s.

Although this may appear to be a long way into the future, for housing providers who are planning for future development and renewal activities, this is not long at all. The lack of a clear federal plan beyond 2028 may already be putting plans to redevelop or renew existing housing in jeopardy.

There are significant concerns across the community housing sector that the end of federal housing subsidies in 2028 and the expiry of all remaining operating agreements will put hundreds of thousands of affordable housing units at risk. A 2020 study by the Community Housing Transformation Centre comprised of interview requests with approximately 300 housing providers whose operating agreements had expired prior to 2016 (before the federal government announced that pre-2016 expired operating agreement holders would be eligible for the FCHI) found evidence to validate these concerns. The study found that 21% of contacted housing providers no longer existed or were no longer considered non-profit, suggesting that they were no longer able to offer affordable housing. This indicates a causal link between the expiry of rental subsidies and a decrease in available affordable housing units.

The federal government must commit to a long-term, permanent subsidy framework that will provide ongoing subsidies for community housing in perpetuity. With six years to go before the FCHI and CCHI programs expire, there is time to consult on how a permanent subsidy framework could be established.

**Recommendation:** The introduction of a predictable, guaranteed, long-term rental subsidy framework that guarantees ongoing rental subsidies.

## Ensuring the distribution of rental subsidies across the country

The provinces and territories are key partners with the federal government in providing operational subsidies to community housing providers; this role grew following the last round of federal operating agreements in 1993. The National Housing Strategy, through the Canada Community Housing Initiative, provided federal dollars to cover 50% of the provincial and territorial cost to extend operating subsidies to 2028.

Despite the positive intentions of this program, there are concerns over whether provinces and territories have used this funding for its intended purpose: to maintain ongoing subsidies for 10 years. Some housing providers have suggested that CCHI funding has not been used for this purpose – a suggestion that is difficult to validate given that there are no common standards or accountability metrics for provinces and territories to report on the use of transferred funds.

It is critical that federal support to the provinces and territories to maintain housing affordability is accountable and transparent. Provinces and territories must publicly report agreed upon metrics that demonstrate that these funds are being used for their intended purposes. These metrics should include the number of housing units that are being maintained as affordable, and ideally, the projected increase in the number of units that each province or territory is able to cover via subsidization.

**Recommendation:** The inclusion of a requirement to report publicly on metrics and accountable measures to ensure that rental subsidy transfers to the provinces and territories for the purposes of maintaining and expanding provincial/territorial rental subsidies are being used for their intended purposes.



## Ensuring rental subsidies reach those who need them most

The National Housing Strategy introduced the \$4 billion Canada Housing Benefit, a portable rent supplement that eligible individuals could use to access housing at a unit of their choice. The federal government entered into bilateral agreements with each province and territory to operate the program; many incorporated the Canada Housing Benefit into their own provincial and territorial programs to bolster their contribution or to expand eligibility to the program.

Although portable housing subsidies can play a role in addressing housing need and/or reducing homelessness, they should not be viewed as a means to subsidize private landlords, especially in jurisdictions where lax rent controls allow landlords to raise rents substantially, thereby negating the value of the rent subsidy. If jurisdictions, including provinces and territories, agree to continue using portable rent subsidies as a tool to address housing need, conditions should be put in place that prioritizes units operated by community housing providers who have a mandate to maximize affordability. For instance, where community housing providers operate mixed-model housing (where market units subsidize below market units), eligible recipients could use a portable subsidy to rent the market units.

**Recommendation:** Prioritization of the use of portable rental subsidies in community housing.



## 5. A Home for All: Eliminating homelessness and strengthening

Canada's homeless population is growing, with individuals often unable to effectively access housing and much-needed services. It is imperative that providers maintain and grow service offerings to get those experiencing homelessness off the streets, and into supportive housing: a proven, cost-effective way to help people live stable and productive lives.

Preventing and eliminating homelessness requires understanding how people lose their housing. The Homeless Hub utilizes a three-pillared explanation of causes of homelessness:

- 1. Structural factors** such as economic and societal issues that affect opportunities, environments, and outcomes for individuals. This includes poverty, discrimination, lack of affordable housing, and the impact of colonialism on Indigenous Peoples.
- 2. Systemic failures** where systems of support are inadequately delivered. Barriers to accessing public supports (health, social services, and legal supports), and failed transitions from publicly funded institutions (child welfare, hospitals, and corrections) are examples of systemic failures.
- 3. Individual and relational factors** where personal circumstances, such as crises (like sudden unemployment or a house fire), mental health and addiction, housing insecurity, and interpersonal violence, can lead to homelessness.

These factors illuminate that housing is more than four walls and a roof; housing is also about addressing the unique, complex needs of individuals. Ensuring there is a home for all requires supportive services and a commitment to the health vulnerable individuals.

The Government of Canada must utilize policy levers at their disposal, including the ability to influence policy with other orders of government, to increase action on homelessness and supportive housing. This requires defining and strengthening supportive housing. Supportive housing is often considered the de facto solution to homelessness with minimal consideration of what the concept truly means. Supportive housing should be defined as a safe, affordable living space that offers coordinated access to flexible, fulsome supportive services that meet the unique, complex needs of individuals. Realizing this definition requires a robust, diverse housing system that provides individuals with choice and agency, allowing them to determine what housing suits their needs, and access to services needed to remain successfully housed.

Increasing action on homelessness and supportive housing also requires entrenching the relationship between housing and health in policies, programs, and political discourse. CHRA members have described homelessness as a social disease that can be cured with adequate housing and supportive services. The housing and homelessness sector are deeply familiar with the relationship between housing and health. That relationship has never been more apparent than during the COVID-19 pandemic. A lack of housing has directly contributed to homeless individuals being considerably more likely to get sick and die from COVID-19 than people that have homes. The time is now to highlight housing as a key social determinant

of health, and entrench its provision, along with supportive services, in policies, programs, and political discourse.

Ensuring there is a home for all requires eliminating homelessness, strengthening the existence of, and increasing access to supportive housing, and expanding on the relationship between housing and health. As a starting point, CHRA has three recommendations:

## **Working to eliminate homelessness**

Declining housing affordability, and growing housing shortfalls have contributed to a significant increase in homelessness in communities across Canada. The ongoing housing crisis means that many vulnerable individuals are surviving without access to stable, safe, permanent housing, and lack the means to acquire it.

Data from the Canadian Rental Housing Index (CRHI) shows how far out of reach housing affordability has become for renters across Canada. According to the CRHI, over 18 percent of renters are in deep core housing need, and over 40 percent are in core housing need, spending more than 50, and 30 percent of their income on housing, respectively. With housing becoming increasingly unaffordable, federal intervention is increasingly needed to reduce and eliminate homelessness.

Reaching Home is Canada's federal homelessness strategy. Active since 2019, its overarching goal is to eliminate chronic homelessness by fiscal year 2027-2028. According to Budget 2022, more than \$3 billion has been allocated to Reaching Home since its creation.

While direly needed, Reaching Home is currently not structured in a way that ensures its goal is reached. Most importantly, Reaching Home lacks a coherent strategy with clear, measurable targets and timelines. Without them, it's difficult for the strategy to track progress, making it difficult to meet its goal.

With proper targets and timelines and funding to match, it would be possible for Reaching Home to eliminate homelessness entirely. This would move more Canadians from homeless to housed, reduce suffering among vulnerable individuals, and be a meaningful step toward addressing Canada's housing and homelessness crisis.

**Recommendation:** The revision and expansion of Reaching Home to include clear performance metrics and to endow it with sufficient funding to fully eliminate chronic homelessness by 2028.

## **Increasing support services**

The COVID-19 pandemic has illuminated the connections between housing and health. Since March 2020, we have also seen the pandemic intensify gaps and inequities in housing and health outcomes, with disproportionate impact on racialized and marginalized populations; a situation that is particularly true for those experiencing homelessness. A 2021 article in the Canadian Medical Association Journal by Lucie Richard found that Canada's homeless population are considerably more likely to get sick and die from COVID-19.

Regardless of the factors leading to individuals becoming homeless, many require supportive housing.

Yet, there is both insufficient affordable housing and supportive services available to transition Canada's homeless off the streets and into housing. The COVID-19 pandemic is not just a reminder of the importance of supportive housing, but a wakeup call that vulnerable individuals must be housed with their health top of mind.

Ongoing consultation with CHRA members has revealed a pan-Canadian experience: supportive services are largely inaccessible and too rigidly structured to reflect the complex needs of Canada's homeless populations. As these supports are related to health and social services, the issues lay in large part at the provincial, and territorial level.

The inaccessibility and rigidity of supportive services means that many in need of support fall through the cracks. To remedy this, there must be improved coordination and flexibility in the provision of supportive services. This includes recognizing that individuals have different needs at different times, and that timing and funding caps impede vulnerable individuals from receiving adequate support. Flexibility is needed to ensure that the goals of Reaching Home can be achieved. The federal government must incentivize these changes to occur at the provincial and territorial level.

The federal government can utilize its spending power to incentivize the provision of more fulsome supportive services. The Canada Health Transfer (CHT), and Canada Social Transfer (CST) are two of the largest major federal transfers to provinces and territories. In 2022-23 alone, the CHT will provide provinces and territories with \$45.2 billion in support.

In Budget 2022, the federal government identified that the COVID-19 pandemic has emphasized the need to fortify our healthcare system, and that negotiations with provinces and territories related to the CHT will remain focused on priorities that include community care. This coincides with post-budget reports that the federal government intends to place conditions on transfer funds to reflect the needs of Canadians, including community care. Placing conditions on CHT and CST payments to incentivize the growth of supportive services will help end homelessness, strengthen supportive housing, and create a Canadian healthcare system that is inclusive for all.

**Recommendation:** The creation of conditions on Canada Health Transfer and Canada Social Transfer funds that reflect the goals of Reaching Home, including increased access, flexibility, and funding to incentivize the growth of supportive services, to entrench the relationship between housing and health in federal policy.

## Developing more supportive housing

Housing and health are intrinsically linked; a relationship demonstrated throughout the COVID-19 pandemic. As we consider this relationship, Canadians are grappling with unprecedented difficulties with housing affordability and accessibility. These issues are most keenly felt by those facing housing precarity and homelessness. At the same time, supportive services are inaccessible and not reflective of the complex, unique needs of the individuals they are meant to serve.

The current state of supportive services in Canada is allowing far too many vulnerable individuals to fall through the cracks. As noted in the previous recommendation, improved coordination between



service providers and flexibility with the timing and funding for care are imperative to meet the goals of Reaching Home.

A key challenge in providing housing for individuals with complex needs is finding a balance between needs of providers and tenants to ensure safe and fair tenancy arrangements and effective support programs; finding a robust set of housing options is critical. Supportive housing as a response to homelessness must be flexible and reflective of the diversity of the needs of individuals.

Much of the attention placed on federal policies and programs related to housing and homelessness over the last several years have focused on creating or repairing housing units, maintaining affordability for housing providers, and ending homelessness. While CHRA welcomes these needed policies and programs, insufficient attention has been given to funding, and scaling up supportive housing models that work to transition individuals from homeless to housed.

Supporting the goal of Reaching Home to eliminate chronic homelessness by 2028 requires ensuring there are safe, stable affordable housing options available, complete with accessible, flexible, coordinated supportive services. Creating a Healthier Communities Transformation Fund would support Reaching Home by financing the work of housing and service providers and allowing successful supportive housing models to be explored and brought to scale.

***Recommendation:*** The creation of a Healthier Communities Transformation Fund that finances the operation, exploration, and growth of supportive housing models to complement Reaching Home.



## 6. A “Team Canada” Approach to Housing

Canada’s affordable housing crisis is worsening, and the community housing sector cannot solve it alone. We need a “Team Canada” approach to housing: rallying all levels of government, non-traditional actors, including the private sector, and people in communities across the country to address Canada’s housing woes.

To do this, we need strong leadership from the federal government. The Government of Canada must utilize the policy levers at their disposal to influence policy with other orders of government and critical partners. Among the challenges this approach should seek to solve includes curtailing the financialization of housing. There is consensus among housing professionals and academics that financialization is a significant threat to housing affordability and community housing in Canada. In the context of community housing, the financialization of housing (“financialization”) can be defined as the erosion of affordable housing stock caused by the treatment of housing as a financial commodity. Financialization has led to wealthy investors buying up housing stock to increase profits, removing stock suitable for low-to-moderate income households. This trend continues to worsen, requiring a coordinated response to ensure vulnerable individuals remain housed.

Relatedly, this approach must also incentivize private investment in affordable housing while maintaining non-profit control. In an era of skyrocketing inflation, governments cannot fully address Canada’s housing challenges alone. We must look for ways to access private sector dollars to complement government spending measures. This is key to ensuring that sufficient affordable housing can be constructed to meet increasing demand. It is equally important to ensure that non-profits maintain control of affordable housing and that housing is maintained at truly affordable levels to ensure that people’s needs are put before profits.

A “Team Canada” approach must also prioritize the reduction of barriers to the creation of housing. Various forms of red tape and regulatory hurdles represent significant barriers to creating housing in Canada. These barriers contribute to myriad problems, including longer build times and an inability to effectively increase density, leading to increased housing costs levied on individuals and cash-strapped community housing providers.

Finally, this approach must scale innovation to meet modern-day housing needs. The affordable housing sector has responded to the growing housing shortfalls and tightening operating budgets of the last several years with a wave of innovation. Implementing and scaling up these innovations is imperative to meet current and emerging needs of the housing sector, including the ability to create housing that is more affordable and environmentally sustainable.

The needs for developing and executing a “Team Canada” Approach to Housing are many, and likely to evolve with time. As a starting point, CHRA has four recommendations:

## Creating partnerships to increase affordable housing development

Current federal tax policies act as a disincentive for many private sector organizations to build community housing. This has created an environment where private sector organizations profit more from eroding our affordable housing stock, rather than increasing it. These policies also contribute to the financialization of housing: a serious threat to community housing and housing affordability in Canada.

Altering tax policy can incentivize the private sector to invest in community housing, and curb financialization while also maintaining non-profit leadership in the community housing sector. This can be done by creating a tax incentive to create or renew affordable rental housing for low-to-moderate income households.

A highly successful version of this was introduced in the United States in 1986 in the form of the Low-Income Housing Tax Credit (LIHTC). The federal government issues tax credits which are awarded to sponsors of affordable housing projects through a competitive process. Sponsors then sell the credits to private investors to obtain funding. Once the housing project is made available to rent, investors can claim the LIHTC over a 10-year period. All LIHTC projects must comply with tests to guarantee affordability for 15 years, or credits are recaptured. Most projects have an extended compliance period of 30 years imposed. The LIHTC is used in more than 90% of American affordable housing projects and has been praised for maintaining affordability and making affordable housing providers stronger and more financially stable.

Tax incentive programs like LIHTC can align the missions of the private and community housing sectors because the private sector would literally be invested in maintaining affordable housing. This helps curtail financialization by making investments more attractive, with risk and return profiles more comparable or better than market-rate projects. It is also important to note that private investment does not necessitate private ownership or management. A Canadian version of the LIHTC should require project sponsors to be non-profits or municipalities to better reflect the makeup and ethos of the Canadian community housing sector. Moreover, a Canadian version of the LIHTC would support a current federal priority to explore ways to incentivize private sector investment in affordable housing.

**Recommendation:** The creation of a Canadianized Low-Income Housing Tax Credit to incentivize private sector investment in affordable housing projects, while maintaining non-profit and municipal management.

## Limiting the financialization of housing

Real estate investment trusts (REITs) are the primary driver of the financialization of affordable housing in Canada. They operate as publicly traded trusts that hold interests in real property, and are actively traded on major stock exchanges, such as the Toronto Stock Exchange (TSX). Data from the TSX indicates that between 2009 and 2019, the dollar value of Canadian REITs grew by 215%, signifying that an increasing number of Canadians are using them as investment vehicles. REITs have become infamous for purchasing older, less expensive affordable housing stock and turn it into more expensive market rentals or condos for purchase. In effect, Canadian investors are aiding REITs in their purpose of financializing affordable housing. This fuels inequality by removing affordable stock needed by low-to-moderate

income earners, and benefits those with greater financial means.

The federal Income Tax Act provides REITs legislative status, defining what characteristics allow an organization to be considered a REIT. These characteristics are used to determine income tax requirements rather than more granularly govern REITs' conduct. REITs are governed by provincial securities legislation, placing the ability of directly regulating their conduct outside the jurisdiction of the federal government. Currently, no provinces or territories regulate the conduct of REITs, allowing financialization to perpetuate and worsen.

The federal government must collaborate with provincial and territorial governments to advocate for the regulation of REITs to support behaviour that strengthens, rather than hinders, Canada's community housing sector. Specific solutions remain to be determined, but regulatory change, in conjunction with complementary policy measures can curtail the financialization of Canada's affordable housing stock.

**Recommendation:** Collaboration between the federal government and provincial and territorial governments to explore the regulation of real estate investment trusts to curtail the financialization of affordable housing.

## Increasing housing across the housing spectrum

Various forms of red tape and regulatory barriers are a significant hurdle to creating affordable housing in Canada. Although there are examples of such barriers within federal programs and policies, many of these barriers lay at the provincial, territorial, or municipal levels. The federal government must use its spending power to incentivize the provinces and territories to reduce barriers to the creation of housing. As identified in recommendations 8, 11, 12, 13, and 14 CHRA recommends that the federal government move ahead with the Housing Accelerator Fund, work to streamline funding opportunities, and launch a public relations campaign to combat NIMBYism.

In Budget 2022, the federal government committed to tying federal infrastructure funding to provinces, territories, and municipalities to create more housing. Federal spending powers are at their most pronounced through health and infrastructure transfers to the provinces and territories. The Investing in Canada Infrastructure Plan (ICP) alone has earmarked over \$180 billion to modernize Canadian infrastructure and create more sustainable communities. This money is distributed to provinces and territories through Infrastructure Bilateral Agreements between Infrastructure Canada and provincial and territorial partners. These agreements are an opportunity to encourage the creation of more housing supply; clauses can be added to the agreements to encourage the creation of new housing indexed to population growth.

The agreements should also place a greater emphasis on the availability of social and affordable housing for all who live in Canada. Requiring provinces to address housing supply and density as they allocate infrastructure funds will encourage a more balanced, fair, and sustainable approach to planning, while tackling inventory shortages that cannot be resolved by attempting to curb demand.

Research in real estate and development indicates that 'planning' and 'approval process' are the key impediments in limiting supply growth. In exchange for the city offering up land, reducing development



costs, permitting improvements, rezoning to enable more housing, or a combination thereof, the federal government must invest in the infrastructure needed to build housing units including telecommunications, roads, sewers, and water services and provide funding to help increase the capacity of staff as part of its skills development role.

**Recommendation:** The addition of housing clauses in Infrastructure Bilateral Agreements between Infrastructure Canada and provincial and territorial partners that provide incentives to build the capacity of local authorities and redevelop existing assets to increase the supply of new homes across the housing spectrum.

## Modernizing the housing sector

The affordable housing sector has responded to the growing housing shortfalls and tightening operating budgets of the last several years with a wave of innovation. These innovations, including novel construction methods, and other new technologies, practices, and programs have helped the sector create housing supply while reducing costs. The National Housing Strategy has made a noticeable impact in spurring innovation, investing \$541 million over ten years to support housing innovation through initiatives such as CMHC's Affordable Housing Innovation Fund. CHRA members have identified that these programs are highly valuable for funding research and enhancing knowledge within the housing sector. Additional resources to scale and implement innovative solutions that can be adopted throughout the housing sector are required.

**Recommendation:** The creation of a stream within CMHC's Affordable Housing Innovation Fund that will develop innovative housing technologies and practices and provide capital funding for projects employing innovations that will lead to reduced costs, project timelines, and environmental footprint in future housing projects.



# Conclusion

As part of the process of creating this Blueprint for Housing, CHRA consulted with its members and other leaders in the housing and homelessness sector to determine the policies, programs, and partnerships needed to ensure everyone in Canada has a home they can afford and that meets their needs. Effectively addressing Canada's current housing issues requires strong federal leadership, including a commitment to championing housing action with other governments, organizations, and the private sector.

The recommendations contained in this document are intended to provide a blueprint of the federal policies, programs, and partnerships required to ensure all who live in Canada have a place to call home.



**Canadian Housing and  
Renewal Association**  
A Home for the Housing Sector

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