



# Response to the Housing, Infrastructure and Communities Public Lands for Homes Discussion Paper



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

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## Background

In late August, Housing, Infrastructure and Communities Canada (HICC) released a discussion paper on the Public Lands for Homes Plan with a request to provide direct feedback on a set of guided questions.

CHRA, and our members believe that public lands should be used to achieve the greatest impact and must be used to invest in and grow non-market community housing options. All new developments on public lands should prioritize community housing as well as urban, rural, and northern Indigenous housing. By requiring that all proposals include a community housing provider, the Public Lands for Homes Plan will ensure the highest levels of long-term affordability. By prioritizing urban, rural, and northern Indigenous housing the federal government can work to address the historical inequities and injustices faced by Indigenous peoples.

On September 10, 2024, the CHRA hosted a member engagement town hall to discuss the HICC discussion paper's guiding questions with over 30 CHRA members representing community housing providers, developers, and researchers, who participated in the town hall and provided the valuable feedback that informed the responses below.

## Questions and Responses

### **1. What is needed to make public lands projects work for community housing providers? What barriers in making public land available impede viable community housing projects?**

- There are a couple key things that can assist community housing providers develop on all public lands but are particularly important for larger sites.
  - Facilitating partnerships between community housing providers and private sector developers by requiring the inclusion of community housing providers on all available lands.
  - Encouraging resource bundling that allows several community housing organizations to submit joint proposals.
  - Insuring mortgages through MLI Select.
- Ensuring that the due diligence is done on public lands in advance is critical to facilitating community housing developments.
  - Community housing providers would like to have Environmental Site Assessments, hazardous materials surveys, geotechnical reports and other site information in advance
  - Having sites pre-zoned for residential development will streamline the process and reduce risk
  - In many cases the federal government should partner with locally based organizations to conduct this due diligence, which can account for regionally important considerations while also creating the local buy-in required for projects to proceed.

- Pre-development costs can sometimes be prohibitive for the development of new housing on public lands, especially on large sites. Funding should be made available for all projects to ensure that community housing providers can appropriately resource things such as architectural costs, planning fees, site surveys, costing studies and project viability studies.
- Many community housing providers in Quebec are less familiar with accessing funding and resources directly from the federal government and so special consideration should be given on how to engage with these partners.

## **2. Are there specific considerations that will need to be taken into account in leveraging land to support projects aimed at addressing homelessness?**

- To address homelessness there needs to be a priority placed on projects that prioritize deep levels of affordability, well beyond 80% of median market rent, for example. The federal government should account for this when scoring project proposals.
- Supportive housing projects are critical for addressing homelessness, and can be single buildings or mixed in larger sites. Linking the Public Lands for Homes plans to other government initiatives targeting homelessness, such as the homeless encampments strategy and targets, will have a direct and meaningful impact for those experiencing homelessness.
- Small and medium sized sites, which are well suited to supportive housing should be allocated specifically for that purpose.
- There must also be ongoing subsidies provided for support services. Where possible the federal government should enter partnership agreements with provincial and territorial governments to ensure the stability of this funding.

## **3. When it comes to maintaining affordability on public lands projects, are there specific best practices and models (at the municipal, provincial or federal level) that have been most effective?**

- The best way to ensure long-term affordability is to require that community housing providers are involved in every single project. As stewards for the public good, community housing providers will ensure that there is as much affordability as is possible for each of the projects and will provide that affordability in the long-term.
  - Where possible priority should be placed on non-market developers as the sole proprietor for projects. Where that is not possible, they should be required for any successful partnership project.
- When assessing project proposals, the federal government should prioritize the projects based on the deepest levels of affordability provided.
- Mixed-income neighbourhoods are a good practice for both ensuring the financial sustainability of a project as well as producing the greatest positive societal impacts.
- Review, as examples for maintaining affordability, the Toronto Social Housing Agreements and Reconveyance Agreements.

#### **4. What are potential implications of leasing, rather than selling, public land for community housing projects?**

- Keeping public lands public through mechanisms such as lease agreements has strong potential for ensuring long-term affordability.
  - Leases must have enough flexibility to allow for redevelopment and renewal within the lease term, all while continuing the affordability mandate
  - Early renewal clauses, for example 15-20 years before the termination of the lease, will allow operators to continue long-term planning and asset renewal throughout the lease term.
- For Indigenous housing providers, the leasing of federal lands may pose a significant barrier to reconciliation and decision-making authority.
  - The current, restrictive federal leasing process fails to support reconciliation by limiting the Indigenous right to self-determination and self-governance as required under the UN Declaration on the Rights of Indigenous Peoples
- To align with legal frameworks and international standards for recognizing Indigenous rights, lands that are currently under a land claim negotiation and/or modern treaty implementation, ought to have their title transferred to the Indigenous recipient(s) of the settlement agreement.

#### **5. Should the potential use for a property (e.g. community housing, market supply, mixed-use, mixed income) be narrowed before formal bids are solicited, and if so, how should that narrowing happen?**

- All properties should prioritize non-market and Indigenous housing providers.
- Smaller sites should be designated for non-profit, public, supportive and co-op community housing as they are well suited to delivering deeply affordable and supportive housing projects that would most directly impact homelessness.
- Larger sites will likely be mixed-income and mixed use spaces. This can either be delivered by a large community housing developer, as a joint-venture with several community housing organizations, or as a partnership between a private developer and community housing provider.

#### **6. What elements or best practices should the federal government consider when making lands available and selecting proponents to ensure that community housing providers, particularly those with limited capacity, have sufficient access and opportunities to participate in developments on public lands?**

- Ensuring that there is proper due diligence, including Environmental Site Assessments, and geotechnical assessments, done in advance will reduce risk and shorten development timelines.
- Providing pre-development funding for approved projects, would allow for a faster development process. Funding could resource things such as architectural costs, planning fees, site surveys, costing studies and project viability studies.
- Whenever possible, harmonizing the requirements and scoring criteria for lands with existing federal government programs, such as those available through the National

Housing Strategy, will reduce the administrative burden. Being able to ensure that the criteria required for a successful bid in the Public Lands for Homes Plan will also match the requirements for programs such as the Affordable Housing Fund will support community housing providers who would look to pair the public lands with other programs in ways that will provide deeper affordability and better financial sustainability.

- The federal government should also work with municipal and provincial governments to find ways to enable non-market developers to improve the viability or affordability through things such as tax waivers, rent supplements, grants and financing, and social or health services.

**7. In your view, in selecting proponents and projects to build on public land, what kinds of outcomes should the Government prioritize (e.g. affordability, sustainability, Indigenous reconciliation)? What considerations inform your view on which outcomes should be prioritized? What are the merits of requiring certain outcomes are met (e.g. minimum affordability requirements) relative to having proponents compete to deliver outcomes?**

- All public lands should first prioritize affordability and Indigenous reconciliation.
  - Proposals should be scored by the levels of affordability they provide with higher priority given to those proposals who exceed the minimum affordability criteria. Providing, truly affordable, non-market community housing is the most effective means to tackle the housing crisis.
  - The best way to ensure long-term affordability is non-market community housing.
  - All federal public lands should prioritize Indigenous rights to dignified housing and autonomous land management. This prioritization aligns with the constitutional and international human rights obligations to address historical inequities and advance reconciliation
    - Indigenous housing proposals should be prioritized for all other public lands, given the disproportionate impact that the housing crisis has on Indigenous peoples
- Additional factors such as accessibility requirements, environmental sustainability, and serving other priority populations should be carefully considered in the assessment of proposals.
  - Where community housing developers are accessing provincial and municipal affordable housing programs, defer to those locally-specific criteria

**8. What types of discounts may be most impactful for the community housing sector and in what circumstances might discounts be effectively applied?**

- Beyond discounts on the sale or lease of public lands, what levers, supports or incentives could the federal government use to achieve desired outcomes on projects built on public lands in an efficient/cost-effective way? How would these vary depending on the type of targeted outcomes?
- Public lands should be either free or at a very low-cost for community housing providers.
  - The greater the level of discount provided on the land the higher the levels of affordability that will be provided through community housing providers.
- Making pre-development funding readily available for the proponents of a particular project will provide one of the lowest-cost intervention options that will allow for projects to be developed in a timely manner. The lack of stable pre-development funding is one of the

- most significant barriers to building community housing.
- Low-cost financing programs, grants, and direct lending is also incredibly important to the development of community housing. Aligning as much as possible the requirements for these public lands and existing low-cost loan programs will reduce administrative burdens.
  - Aligning public lands with waivers for things such as municipal development charges and property taxes will also dramatically improve the viability of several projects.

## **9. How might the federal government best engage with the community housing sector on the Public Lands for Homes Plan moving forward?**

- Cross-departmental consultations with the various departments and agencies working on the Public Lands for Homes Plan will be critical. Allowing community housing providers the opportunity to engage with the various components of government will help to underscore the need for alignment with existing government initiatives.
- Membership-based sector associations such as the CHRA can also provide engagement opportunities between government officials and a wider variety of community housing providers, for example by workshopping program design.
- Many community housing providers have already existing relationships with CMHC and so they may also serve as a useful entry point for discussions.
  - CMHC's experience in funding and financing the development of new community housing will also be incredibly helpful throughout the program design and delivery.

## **Conclusion**

The Public Land for Homes Plan has been well-received with a high degree of enthusiasm by the community housing sector. Many of those who participated in the town hall discussion shared their interest in submitting proposals for the available public lands in the Canada Land Bank and are likely to do so in the coming months.

Much of the feedback received in the town hall discussion heavily focused on the need for the federal government to prioritize community housing within this program. Doing so would provide the greatest levels and longest guarantee of affordability, something that will be fundamental to tackling the housing crisis.

Many also shared that the federal government should work closely with those in the communities where these public lands are. Engaging with community partners will mean these projects will face fewer barriers to development and will allow for the development of more affordable housing, sooner.

Finally, the more work that can be done to ensure that the requirements for these public lands align with other programs or targets put forward by all levels of government the more successful these projects will be. This means not only working with municipal, provincial and territorial governments but also aligning this program's objectives with that of other federal government programs.