

# **Affordable Housing in Canada: A Cross-Jurisdictional Review of Housing Policy in Calgary, Vancouver and Toronto**

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# Introduction

The Canada Mortgage and Housing Company (CMHC) describes affordable housing as when a household spends less than 30% of its pre-tax income on housing. **1 in 5** Canadians renters face an affordable housing crisis and spent more than 50% percent of their income on housing and rent.

This deck will conduct a cross-jurisdictional review of housing policies in Canada's three major cities: Calgary, Vancouver and Toronto.

## THE HOUSING CONTINUUM



## At a Glance

	<b>Calgary</b>	<b>Vancouver</b>	<b>Toronto</b>
<b>Population</b>	1,246,337	2,197,900	2,731,571
<b>Homeless Population</b>	2,911	2,181	8,715
<b>Unemployment Rate</b>	7.9%	4.1%	6.2%
<b>Households in core housing need</b>	12.7%	17.3%	20.7%
<b>Avg. cost of 1 bdrm apartment (/month)</b>	\$1,050	\$1,307	\$1,261
<b>Subsidized households</b>	2.9%	7.3%	7.1%

*Data retrieved from Homeless Hub & CMHC*

## Background: Calgary

- Less than **50%** of communities have access to affordable housing.
- Every **1 in 5** households are currently struggling with housing costs; **42,000** households are currently at risk because they spend over **50%** of gross income on shelter costs.
- Calgary's non-market housing sits at **3.6%**, nearly half the national average in urban centers.
- Calgary has the lowest proportion of rental households in Canada, at **27%**.
- It is expected that there will be over **100,000** households forecasted to be in housing need by 2025; there is an expected shortage of **1,700** affordable housing units per year.

## Background: Vancouver

- Homelessness has increased **3-fold** in the last **10 years**. In 2017, there were a total of **2,138** homeless people in the City of Vancouver. **1,601** homeless people were sheltered and **537** were on the streets.
- Highest house prices in Canada.
- Since late 1970s, real household incomes have increased by **9%** while house prices increased by **280%**.
- In 2011, **48,645** households (**20%** of all households) were in core housing need.
- The City of Vancouver's total population is expected to grow from **617,200** in 2011 to **765,000** by 2041. Under a high regional growth scenario, the 2041 projections for Vancouver would increase to **788,000** people.

## Background: Toronto

- 5-7 year waitlist for social housing.
- From 2006 to 2018 median household income grew only **30%**, while average home ownership costs grew **131%**.
- **100,000** households are currently waiting for access **94,000** homes.
- Significant population decline in areas where public infrastructure is being under-utilized.
- In 2018, there was an increase of **77,000** people yet only **7,300** rental units constructed.
- By **2031**, the population is projected to be **3.5** million.

## Jurisdictional Challenges: Calgary

- Increasing poverty rates, joblessness rates
  - The November 2020 Labor Force Survey reported the jobless rate at 10.7%, the second highest unemployment rate, after Edmonton, Alberta.
- Mortgage qualifier tool: the “Stress Test”
  - A tool used by the federal government that requires individuals to pass a “stress test” to qualify for a bank mortgage loan.
- Federal and Provincial Funding
  - Through the federal government’s Rapid Housing Initiative (RHI), Calgary will receive \$26.4 million in funding to build 176 new affordable housing units.
  - Significant federal and provincial funding is still needed, however to build the 5,000 necessary units to house the homeless population.

## Jurisdictional Challenges: Vancouver

- Increasing population and migrants.
- Increase in real estate prices.
- Scarcity of land; limited supply.
- Increase in homeless population.
- Financial challenges imposed by COVID-19.
- Challenges across the Housing Continuum which consists of Homelessness, Rental Housing and Home Ownership.

## Jurisdictional Challenges: Toronto

- Sharp population growth; stagnant housing supply.
- Increase in real estate prices.
- Zoning by-laws (the missing middle).
- Increase in homeless population
  - Alarming growth spike in the last 5 years due to incoming refugees/asylum seekers.

## Current Policy Framework: Calgary

- Affordable housing policy is guided by the Corporate Affordable Housing Strategy, which serves as a mandate in delivering affordable housing to Calgarians over a ten-year period, between 2016-2025.
- The six key objectives of the Strategy are: get the Calgary community building, leverage City land, design and build new City units, regenerate City-owned properties, strengthen intergovernmental partnerships, improve the housing system.
- The City of Calgary works closely in conjunction with the Calgary Housing Company (CHC), a subsidiary of the City and the largest operator and owner of social and affordable housing in Calgary.

# Current Policy Framework: Vancouver



## STRATEGIC DIRECTION 1

### Increase the supply of affordable housing

#### Priority Actions:

1. Optimize the City's use of land, capital grants, incentives, and other resources to lever and support housing partnerships
2. Refine and develop new zoning approaches, development tools and rental incentives
3. Pursue a new business model to enhance affordable housing delivery



## STRATEGIC DIRECTION 2

### Encourage a housing mix across all neighbourhoods that enhances quality of life

#### Priority Actions:

1. Protect the existing rental stock by:
  - maintaining and exploring opportunities to improve the Rate of Change regulations and SRA Bylaw
  - providing incentives for upgrades
  - improving property and tenancy management practices

2. Target low barrier shelter, supportive housing and social housing:
  - in neighbourhoods with significant homeless populations and limited capacity, and;
  - to specific populations (e.g. youth, urban Aboriginal, mentally ill, women, etc.)
3. Use financial and regulatory tools to encourage a variety of housing types and tenures that meet the needs of diverse households



## STRATEGIC DIRECTION 3

### Provide strong leadership and support partners to enhance housing stability

#### Priority Actions:

1. Enhance support to renters
2. Strengthen the focus of the Urban Health Initiative on homelessness, with an emphasis on improving health, safety, food security, employment, and social supports
3. Demonstrate leadership in research and innovation to create improved housing options for our diverse population
4. Focus our efforts with partners on preventing and eliminating homelessness

## Current Policy Framework: Toronto

- Social housing governed by the *Ontario Housing Services Act* provincial legislation.
  - Allows for community-based planning and delivery of housing services with general provincial oversight.
  - Devolution of responsibility for social housing to local municipalities.
- *Promoting Affordable Housing Act* provincial legislation that:
  - Allows for implementation of inclusionary zoning practices
  - The construction of 'secondary suites' less costly to build
  - Strengthening tenant rights by preventing unnecessary evictions
- HousingTO 2020-2030: The City's housing action plan to address homelessness.
  - \$23.4 billion dollar investment to approve 40,000 new affordable rental homes as well as the prevention of 10,000 evictions.

## Federal Response

- Traditionally, housing policy has been shared amongst all levels of government and as a result, there has been a rather weak pan-Canadian approach to housing.
- Canada's \$4 billion *National Housing Strategy* announced in 2017, outlines the federal government's commitment towards addressing the housing crisis across the country.
  - Three central initiatives:
    1. **Canada Community Housing Initiative:** Direct funding towards existing social housing to keep rents affordable and pay for repairs.
    2. **National Housing Co-Investment Fund:** Provides capital grants and loans for construction of new social housing.
    3. **Canada Housing Benefit:** Monthly amount paid to low-income households, estimated to be about \$2,500 per year.

# Existing Programs and Grants: Calgary

## **The Home Program**

- Provides up to \$25,000 in grants and funding to affordable housing projects.

## **RESOLVE Campaign**

- Community-based funding campaign, with the aim of raising \$120 million to be leveraged against federal and provincial funds.
- Consists of nine social service agencies that work together to achieve the goal of building 3,000 affordable rental housing.

## **Housing Incentive Program (HIP)**

- Funded by the One Calgary Budget, and provides financial assistance to non-profit organizations.
- As of Q1 2020, the program has approved 37 applications across 16 organizations, supporting 2,020 new affordable housing units.

# Existing Programs and Grants: Vancouver

- Housing Vancouver Strategy
- Making Room Housing Program
- Social Housing or Rental Tenure Program (SHORT)
- Housing Options for Families
- Laneway Housing
- Vancouver Affordable Housing Fund
- Community Housing Incentive Program
- Affordable Housing Utilities Development Cost



# Existing Programs and Grants: Toronto

## Modular Housing Initiative

- Prefabricated homes made in a factory
- Lower cost, short time frame, and environmentally responsible
- Funded jointly by the city and federal government



*Modular Housing Development*

## Open Door Program

- Cuts red tape for affordable housing development
- City and federal financial contributions to incentivize developers and fast track approvals
- Unlocks opportunities on private, public, and non-profit land for affordable housing

## Laneway Suites

- Public laneways adjoin about 47,000 residential properties
- Secondary suites that are self-contained, modest in height and share same utilities as primary dwelling
- According to the *AHA*, suites permitted on properties that adjoin a public laneway



*Laneway Suite*

## Conclusion

- Canada's major cities has a supply crisis of affordable housing.
- These cities are growing at an enormous rate that exceeds the growth of new affordable housing developments.
- What has largely been a matter of provincial responsibility is now becoming a federal one.

## Appendix 1: Calgary Research and Reports

- <https://calgaryfoundation.org/wp-content/uploads/Living-Standards-Poverty-Reduction.pdf?swcfpc=1>
- <https://www.calgary.ca/cs/olsh/affordable-housing/affordable-housing-facts.html>
- <https://www.calgary.ca/cs/olsh/affordable-housing/affordable-housing-supports-and-services.html>
- <https://www.calgary.ca/cs/olsh/affordable-housing/role-of-the-city-in-affordable-housing.html>
- <https://itools-ioutils.fcac-acfc.gc.ca/MQ-HQ/MQ-EAPH-eng.aspx>
- Foundations for Home, Calgary's Corporate Affordable Housing Strategy 2016-2025
- Housing Affordability in Calgary, Calgary Economic Development Report
- Non-Market Housing Land Disposition Policy, City of Calgary
- Labor Force Survey Statistics, November 2020

## Appendix 2: Vancouver Research and Reports

- <https://vancouver.ca/people-programs/housing-policies.aspx>
- <https://vancouver.ca/files/cov/Housing-and-Homeless-Strategy-2012-2021pdf.pdf>
- <https://vancouver.ca/people-programs/housing-policies.aspx>
- <https://vancouver.ca/people-programs/housing-vancouver-strategy.aspx>
- <https://vancouver.ca/people-programs/housing-vancouver-action-plan.aspx>
- <https://vancouver.ca/people-programs/creating-new-market-rental-housing.aspx>
- <https://vancouver.ca/people-programs/making-room.aspx>
- <https://vancouver.ca/people-programs/social-housing-or-rental-tenure-program.aspx> (SHORT)
- <https://vancouver.ca/people-programs/housing-options-for-families.aspx>
- <https://vancouver.ca/people-programs/vancouver-affordable-housing-endowment-fund.aspx>
- [https://bcnpha.ca/wp\\_bcnpha/wp-content/uploads/2017/04/BC\\_Affordable\\_Housing\\_Plan.pdf](https://bcnpha.ca/wp_bcnpha/wp-content/uploads/2017/04/BC_Affordable_Housing_Plan.pdf)
- <https://news.gov.bc.ca/factsheets/bc-government-addressing-housing-affordability-challenges>

## Appendix 3: Toronto Research and Reports

- <https://www.toronto.ca/wp-content/uploads/2018/11/981e-2018-SNA-Results-Highlights-Slides.pdf>
- [https://torontofoundation.ca/wp-content/uploads/2019/10/VitalSigns2019\\_02\\_Housing.pdf](https://torontofoundation.ca/wp-content/uploads/2019/10/VitalSigns2019_02_Housing.pdf)
- [https://acorncanada.org/sites/default/files/ACORN%20Affordable%20Housing%20Definition%20Report%20July%202018\\_1.pdf](https://acorncanada.org/sites/default/files/ACORN%20Affordable%20Housing%20Definition%20Report%20July%202018_1.pdf)
- <https://www.acto.ca/production/wp-content/uploads/2017/07/Factsheet-5-Housing-Affordability-Crisis.pdf>
- [https://canurb.org/wp-content/uploads/CUIPublication.What\\_is\\_the\\_Missing\\_Middle\\_Evergreen\\_CUI\\_s2.2018.pd\\_.pdf](https://canurb.org/wp-content/uploads/CUIPublication.What_is_the_Missing_Middle_Evergreen_CUI_s2.2018.pd_.pdf)
- <https://www.toronto.ca/community-people/community-partners/affordable-housing-partners/modular-housing-initiative/>
- [https://www.toronto.ca/wp-content/uploads/2020/09/97c9-2020\\_OpenDoorGuidelines\\_FINAL.pf](https://www.toronto.ca/wp-content/uploads/2020/09/97c9-2020_OpenDoorGuidelines_FINAL.pf)
- <https://www.toronto.ca/legdocs/bylaws/2018/law0515.pdf>
- <https://www.gocosolutions.com/blog/2020/8/6/we4xi7yomq0qezn442clkhirs760kf>
- <https://www.toronto.ca/city-government/council/2018-council-issue-notes/housing-affordability-availability-repair/>
- <https://www.toronto.ca/legdocs/mmis/2019/ph/bgrd/backgroundfile-124480.pdf>