

PRINCIPLES FOR A NATIONAL HOUSING STRATEGY

SUBMISSION BY THE UNION OF BC MUNICIPALITIES
TO THE HONOURABLE JEAN-YVES DUCLOS
MINISTER OF FAMILIES, CHILDREN AND SOCIAL
DEVELOPMENT

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UNION OF BRITISH COLUMBIA MUNICIPALITIES

The Union of British Columbia Municipalities (UBCM) is the voice for local government in British Columbia. Founded in 1905, UBCM is incorporated by a provincial statute (*Union of British Columbia Municipalities Incorporation Act* 1959, 2006) to represent the common interests of local governments in British Columbia and work with other organizations “in dealing with matters under the legislative jurisdiction of Canada.” At the present, UBCM’s membership includes every local government in B.C. as well as seven post-treaty First Nations.

Let’s Talk Housing

On June 28, 2016, federal, provincial and territorial ministers responsible for housing launched a consultation process (*Let’s Talk Housing*) to support the development of a National Housing Strategy. The Honourable Jean-Yves Duclos, federal Minister of Families, Children and Social Development, said that the new housing strategy would “build on existing collaboration between federal, provincial and territorial governments and seek to achieve better housing outcomes for Canadians” (B.C. Government news release, June 28, 2016) and that the Government of Canada’s objective was to have the strategy designed by late fall in order to inform the 2017 Federal Budget.

Local governments in British Columbia participated in a process developed by the Province of British Columbia to inform its own housing strategy submission. The Province hosted a roundtable in September 2016 that included private sector, non-profit and local government representatives. A follow-up input session was also held at UBCM’s annual meeting on September 27, 2016.

Local Government Perspectives

UBCM members have endorsed calls for the creation of a national housing strategy at annual meetings in 2013, 2014 and 2016. In addition, B.C. local governments have supported other housing specific resolutions that address outcomes of affordability, inclusivity, and greater social, environmental and economic sustainability.

Local government perspectives on a national housing strategy by and large reflect gaps in the housing system. When there is an insufficient number of shelter beds or supportive housing units, homelessness rates rise and encampments can form in public spaces. Similarly, a shortage of residential treatment beds means more people dealing with mental health and addictions find themselves living on the street, thereby transferring the health concerns of these individuals to community protective services. And while local governments are doing their best to assist and support, communities have finite resources that alone, cannot fully address the complexity of the problem.

Resolutions endorsed by B.C. local governments to address these issues speak to the willingness of our members to partner with the federal and provincial governments to find solutions. Collaborative approaches, which take into consideration the unique conditions in each community, by all levels of government in partnership with the non-profit and private sectors will be necessary to develop a national strategy that is targeted and effective.

Principles for a National Housing Strategy

Local governments in British Columbia appreciate that flexibility is required in order for a National Housing Strategy to address the diverse needs of Provinces and Territories. With this in mind, UBCM has developed five principles to inform federal policy and program objectives that reflect resolutions endorsed by our local government and First Nations members between 2012 and 2016. These resolutions provide a current summary of the policy directions taken by our members in an area of longstanding interest.

These resolutions are provided in full in the Appendix.

Principle 1 : Invest sufficient funds to provide a long-term commitment that sustains the operating agreements for the existing stock of social housing units.

The expiry of federally supported operating agreements has been a concern identified by local government since 2013. Communities in British Columbia need a full range of housing options in order to meet the needs of residents, including below market and co-op rental options for low income households.

Principle 2: Incent the expansion of purpose built rental housing supply.

Since the cost of home ownership is prohibitive for many British Columbians, a balanced housing system requires a range of rental options. Local governments in B.C. encourage the Government to consider the long-term benefits of potential tax policy changes (such as a capital cost allowance for investors in rental projects) to incent increased private sector construction. New program models similar to the discontinued Multi-Unit Residential Building program should also be considered.

Principle 3: Increase the supply of supportive housing options for vulnerable Canadians.

B.C. local governments have identified shortages of supportive housing options for the homeless, seniors, as well as those with mental health and addictions issues. Transfers of federal funds to the Provinces and Territories might flow through existing programs to provide efficiencies and leverage additional funding.

Principle 4: Encourage retrofits in a variety of housing types through tax credits.

Improving the efficiency of homes reduces operational costs while leading to outcomes of cleaner air and reduced emissions. Program design might also support aging in place by diversifying the existing housing stock to expand senior housing solutions.

Principle 5: Recognize the unique and important role played by local government in delivering housing programs and respect the powers that have been bestowed on communities to make decisions that are in the best interests of their citizens.

Expanding housing supply across the full spectrum of a robust housing system requires the involvement of all levels of government working in partnership with the non-profit and private sector. Local governments in British Columbia are ready to do their part to achieve the objectives outlined in points 1-4.

Looking Ahead

Housing issues related to homelessness, tent-cities, and affordability featured in the clinics and resolutions at UBCM's 2016 Convention. At present there is a ferment of activity among BC local governments to address the full range of issues across the housing spectrum. UBCM appreciates the renewed commitment shown by the Government of Canada through Budget 2016 and the development of a National Housing Strategy. We look forward to the release of the results from the consultation on November 22. UBCM welcomes the opportunity to continue to work with our federal and provincial counterparts and other key partners as the federal government moves towards implementation of the new strategy.

APPENDIX: UBCM RESOLUTIONS RELEVANT TO A NATIONAL HOUSING STRATEGY (2012-2016)

1. Affordable Housing

2012-B143 Market Rental Housing Stock

Whereas market rental housing provides an important housing supply for low to moderate income earners;

And whereas on average, only 675 purpose-built rental units are built in Metro Vancouver each year;

And whereas the region's existing rental stock is aging and at risk for redevelopment;

And whereas there is a significant economic impairment to developing market rental housing compared to strata condo development:

Therefore be it resolved that the provincial government provide incentives for the retention of existing and development of new market rental housing.

2014-B43 Affordable Housing

Whereas the lack of affordable and/or co-operative housing in northern communities is having a deleterious effect on local economies and the quality of life for many British Columbians;

And whereas affordable housing is essential to support vibrant and healthy communities, and will continue to be required:

Therefore be it resolved that UBCM advocate to the provincial government to increase the number of new affordable housing units constructed in British Columbia as soon as possible.

2014-B44 Rental Assistance for Housing Cooperatives

Whereas non-profit cooperative housing provides valuable mixed income housing for a range of households, with low-income cooperative members benefiting from rent subsidies geared to income assistance;

And whereas in the next twenty years operating agreements with over 180 cooperative housing providers will expire, affecting almost 11,000 units in Metro Vancouver and more than 14,500 units

across the province; in the short term, by 2017, rent-geared-to-income subsidies for low-income members will cease for one-quarter of housing cooperatives in BC:

Therefore be it resolved that local governments throughout British Columbia urge the federal and provincial governments to work together to reduce the uncertainty for vulnerable members of housing cooperatives by ensuring that long-term, cost-shared rental assistance programs are in place as federal cooperative housing agreements expire.

2014-B45 Seniors' Housing

Whereas the lack of appropriate affordable housing, particularly in small rural BC communities makes it difficult for seniors and those with special needs to age in place;

And whereas access to safe, affordable and appropriate housing helps to create vibrant, sustainable communities:

Therefore be it resolved that UBCM urge the provincial and federal governments to work with community partners to develop solutions to the lack of seniors' housing and to provide the necessary long-term funding to support the construction of a full range of affordable seniors' housing choices across British Columbia.

2015-B14 Tax Incentives – Affordable Housing

Whereas the lack of rental housing tax incentives has caused a reduction of investment in rental units, resulting in a decline in the amount of available rental inventory in most cities and towns across the country;

And whereas many municipalities attempt to address this shortage but are unable to provide the tax incentive required to motivate the private sector to invest in the rental marketplace;

And whereas the capital cost allowance that was allowed by Canada Revenue Agency on rental units could be applied to reduce an individual's total taxable income, thereby acting as an incentive towards this type of investment which was recouped upon sale of that asset to another party;

And whereas the lack of affordable housing and the incidence of homelessness is a growing and complex problem affecting all British Columbians and Canadian communities:

Therefore be it resolved that UBCM call on the federal government, through the Federation of Canadian Municipalities and other avenues as appropriate, to re-examine the long term benefits of providing a capital cost allowance to investors in rental projects that can be used where those business losses can be used against other income, including employment income.

2015-B48 PURPOSE BUILT RENTAL HOUSING

Whereas the provision of incentives for private investors and developers to build purpose-built rental housing would increase the rental housing supply and contribute to overall affordable housing options; as demonstrated through programs in the United States, like the Low Income Housing Tax Credit;

And whereas the discontinued federal Multi-Unit Residential Building program provided for an incentive to create rental housing, not replacing this program has created diminished rental housing stock;

Therefore be it resolved that the Federation of Canadian Municipalities request that the federal government review current tax structures and programs to provide incentives for investment that increase purpose-built rental stock.

2015-B49 Expiry of Federal Cooperative Housing Agreements

Whereas co-operatives provide for the mixed housing needs of many Canadians including those on fixed or limited incomes and maintaining rent-to-income based subsidies for co-operative housing assists some of our more vulnerable populations to remain stably housed;

And whereas federal operating agreements with housing cooperatives that provide for subsidies for their low income residents will expire within the next five years:

Therefore be it resolved that FCM request that the federal government maintain the rent supplement funding for more than 20,000 low-income households in co-operative housing communities across Canada.

2. Social Housing & Homelessness

2012-B43 Housing for Adults with Developmental Disabilities

Whereas:

1. The provincial government is cutting funding and supports for adults with developmental disabilities, resulting in the closure of group homes and mounting waiting lists for services;
2. These group homes form a vital and necessary part of the housing continuum that has won broad support from members of the public at large, families of adults with developmental disabilities and the communities in which they are located;
3. We support the creation of new supportive housing options to provide appropriate options for parents and their adult children with developmental disabilities; and
4. The BC Community Living Action Group, which represents more than 65 affected agencies and organizations, thousands of families, and adults with developmental disabilities, has called for an end to service cuts and closure of group homes:

Therefore be it resolved that UBCM urge the provincial government to end funding cuts, implement a moratorium on the closure of group homes and provide sufficient financial resources both to maintain this vital housing resource and address growing waiting lists.

2012-B44 Transitional Housing in Rural & Remote Communities

Whereas ample and varied housing stock is an essential part of a healthy and prosperous community;
And whereas housing for the hard-to-house and transitional housing is scarce in many rural and remote communities in British Columbia:

Therefore be it resolved that UBCM urge the provincial government to provide ongoing operational funding for support services for the hard-to-house and transitional housing in British Columbia.

2013-B52 Provincial Funding of Social Service & Housing Programs

Whereas the behaviours of people living with mental health, addictions and other chronic and social health issues without access to appropriate housing and related supports has a negative impact on the safety and economic development of our communities;

And whereas low cost housing with appropriate outreach, social and health supports is a cost effective means of stabilizing and improving the lives of those living with these chronic issues:

Therefore be it resolved that the Ministries of Social Development, Housing and Health work together to provide sufficient funding to local service providers and housing programs to address the needs of individuals living in our communities with mental health, addictions and other chronic social and health issues.

2014-B42 Rental Subsidies for Low Income Households

Whereas the District of Kitimat is concerned that the current economy has resulted in high rental rates and has affected the ability of residents on low and fixed incomes to acquire housing in Kitimat and throughout the region;

And whereas access to safe, affordable housing is a requirement to create healthy communities:

Therefore be it resolved that UBCM call on the provincial government to increase BC Housing rental subsidies for low-income households in communities affected by industrial development.

2015-A2 Mental Health and Addiction Services and Resources

Whereas local governments have been raising concerns in recent years regarding the increasing demands being placed upon police resources and hospital emergency services by people with mental health and addiction issues;

And whereas people with mental health and addiction issues deserve proper and timely psychiatric and medical care;

And whereas some municipalities have made repeated requests to the Provincial government to provide adequate resources to deal with people with mental health and addiction issues without seeing any improvements to services or resources:

Therefore be it resolved that the provincial government be called upon to develop a long-term, multi-faceted strategy to help people suffering from mental health and addiction issues including integrated health and psychiatric care, criminal justice reform, and access to affordable housing, as a matter of priority within the BC health care system;

And be it further resolved that UBCM call on the provincial government to ensure that the level of resourcing and facilities for providing mental health and addiction services are increased throughout the province to allow for improved access and treatment for those suffering from mental health issues, including addictions.

3. Environmental Sustainability

2012-B25 Energy Efficiency Improvements for Homeowners

Whereas the Province of British Columbia has provided funding and programs to homeowners for energy efficiency improvements;

And whereas the Province of British Columbia has committed to reducing greenhouse gas emissions through the Climate Action Charter:

Therefore be it resolved that UBCM request the Province of British Columbia to continue and to expand programs that will encourage the retrofitting of existing housing stock to improve energy efficiency.

2016-B46 Home Renovation Tax Credits

Whereas the Quebec government has recently announced a new tax credit to encourage home renovations, and the Official Community Plan of Saanich and of municipalities across British Columbia and Canada recognize the importance of home renovations, housing variety, affordability and adaptability in their communities' quality of life, health, sustainability and economy;

And whereas housing renovations are recognized to help seniors stay at home, help the special needs of a family member or convert a house to an intergenerational home, and create skilled employment for young people, and the use of refundable tax credits for renovations is known to boost energy efficiency, local economies and reduce off-permit renovations:

Therefore be it resolved that UBCM urge the governments of the Province of British Columbia and Canada to create new tax credit programs for consumers to help encourage home renovations that focus on energy efficiency, improved mobility and aging in place projects, that are over \$1,000.

4. Housing Strategies

2013-B54 Social Housing

Whereas the anticipated upcoming expiration of subsidy or rent supplement operating agreements with the provincial and federal governments will have a significant impact on the availability of affordable and subsidized rental housing, including some housing units targeted towards persons who are homeless; And whereas the lack of affordable housing and the incidence of homelessness is a growing and complex problem affecting all British Columbian and Canadian communities:

Therefore be it resolved that UBCM call on the federal government, through the Federation of Canadian Municipalities and other avenues as appropriate, to assess, examine, and renew the subsidy, rent supplements, or other supports for operating agreements set to expire;

And be it further resolved that UBCM call on the federal government, through the Federation of Canadian Municipalities and other avenues as appropriate, to collaborate with provincial, territorial and municipal governments, and non-profit housing providers and other housing stakeholders to ensure the viability and sustainability of all social housing stock through a national action plan on housing for Canada.

2014 B46 Development of a New Long Term Federal Plan to Fix Canada's Housing Crunch

Whereas a stable and secure housing system that creates and maintains jobs and allows for a range of living options is essential to attracting new workers, meeting the needs of young families and supporting seniors and our most vulnerable citizens;

And whereas the high cost of housing is the most urgent financial issue facing Canadians with one in four people paying more than they can afford for housing, and mortgage debt held by Canadians now standing at just over \$1.1 trillion;

And whereas housing costs and, as the Bank of Canada notes, household debt, are undermining Canadians' personal financial security, while putting our national economy at risk;

And whereas those who cannot afford to purchase a home rely on the short supply of rental units, which is driving up rental costs and making it hard to house workers in regions experiencing strong economic activity;

And whereas an inadequate supply of subsidized housing for those in need is pushing some of the most vulnerable Canadians on to the street, while \$1.7 billion annually in federal investments in social housing have begun to expire;

And whereas coordinated action is required to prevent housing issues from being offloaded onto local governments and align the steps local governments have already taken with regard to federal/provincial/territorial programs and policies; And whereas the Federation of Canadian Municipalities (FCM) has launched a housing campaign, “Fixing Canada’s Housing Crunch,” calling on the federal government to increase housing options for Canadians and to work with all orders of government to develop a long-term plan for Canada’s housing future;

And whereas FCM has asked its member municipalities to pass a council resolution supporting the campaign;

And whereas BC local governments have continuing housing needs to support a diverse range of residents to access affordable and appropriate housing choices, such as specialized subsidized rental with supports, affordable rental, and entry level homeownership, that can only be met through the kind of long-term planning and investment made possible by federal leadership:

Therefore be it resolved that UBCM endorse the FCM housing campaign and urge the minister of employment and social development to develop a long-term plan for housing that puts core investments on solid ground, increases predictability, protects Canadians from the planned expiry of \$1.7 billion in social housing agreements and ensures a healthy stock of affordable rental housing for Canadians.

2015-B47 A Housing Action Agenda For British Columbia

Whereas housing is becoming increasingly unaffordable in many areas of the province due to a range of factors, including speculation, the rising cost of land and strong demand driven by population growth;

And whereas rental housing, which provides housing affordable to a wide range of tenants with low or mid-range annual incomes, has not been built in large volume since the end of provincial and federal programs, resulting in record low vacancy rates in many areas;

And whereas Premier Christy Clark has recently acknowledged the severity of the problem for renters and first-time home buyers, promising to consider options available to make housing more affordable:

Therefore be it resolved that the Province develop and implement a comprehensive housing program, including measures to stimulate rental housing construction, maintain existing rental housing, reduce speculation, increase investments in social and non profit housing and expand opportunities for first-time home buyers.

2016-B45 Renewed Call for a National Housing Strategy

Whereas the lack of affordable housing and the incidence of homelessness is a growing and complex problem affecting all British Columbian and Canadian communities;

And whereas an incomplete continuum of housing options negatively impacts individual and family well-being, local economic growth and sustainable, complete community development:

Therefore be it resolved that UBCM urge the federal government to expedite the development of a national housing strategy.