



Canadian
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Trending government housing programs

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Please note

Due to our time constraint, I will usually say less than is on these slides

- The unsaid information is for you to be able to refer to it later



Topics for the first part of the session – the program context for inclusionary zoning

Convergence of government interest in housing policy

Federal Budget

Ontario Long Term Affordable Housing Strategy

Poverty Reduction programs

Other municipal and provincial programs

National Housing Strategy

Portable Housing Allowances

Funding programs for affordable units

Possible interplay with Inclusionary Zoning



Federal Government interest

- Under the Conservatives, the federal government had little interest in housing action
- Now under the Liberals, the federal government has lots of interest in housing action



The Syrian refugee resettlement program

- A major government initiative
- Once the screening and transportation was done, the key issue was access to housing
- **The federal government reached out to large landlords**
 - Many provided units, either with or without rent discounts
- Rent top-ups were made available for refugees in some markets through The Welcome Fund



Budget 2016

- The Liberal government has increased housing spending substantially in Budget 2016
- Total new housing spending \$2.5B
- See the next 2 slides for details



Budget 2016 (details)

- Over the next two years, the following federal funds will be spent on housing across Canada:
 - \$574M for repairs and energy retrofits to social housing (\$500M in 2016-17.)
 - \$200M on seniors housing, including repairs and adaptations to owner-occupied homes.
 - \$739M for indigenous peoples' housing.
 - \$90M for the repair and construction of emergency shelters for victims of domestic violence.
 - \$112M for the Homelessness Partnering Strategy, supporting Housing First and other projects.



Budget 2016 (details continued)

- Over the next two years, the following federal funds will be spent on housing across Canada:
 - \$504M for the Affordable Housing Initiative, which can be used for new social or supportive housing construction, **direct financial assistance to tenants or forgivable repair loans for private landlords.**
- Over the next five years, there will also be:
 - **low cost loans** for the development of affordable market rental housing of up to \$500M per year.
 - \$208M in total for an **Affordable Rental Housing Innovation Fund** to be administered by CMHC



Ontario Long Term Affordable Housing Strategy (LTAHS)

- Goals:
 - An appropriate and sustainable supply of housing
 - **An equitable, portable system of financial assistance**
 - People-centred, efficient housing programs
 - Developing an Indigenous Housing Strategy
 - **Ending homelessness**
 - Achieving an evidence-informed system



Ontario Long Term Affordable Housing Strategy (LTAHS)

- New investments in Ontario budget 2016 total \$178M over three years for:
 - Survivors of Domestic Violence Pilot Project
 - Supportive Housing
 - Community Homelessness Prevention Initiative
 - Innovation, Evidence and Capacity Building Fund
- See next slide for details



Ontario Long Term Affordable Housing Strategy Details (LTAHS)

- New investments in Ontario budget 2016 total \$178M over three years
 - \$17M for Survivors of Domestic Violence Pilot Project – portable housing allowances
 - \$100M for Supportive Housing
 - \$45M for Community Homelessness Prevention Initiative
 - \$2.5M for Innovation, Evidence and Capacity Building Fund



Ontario's Poverty Reduction Strategy

- Consists of three main goals
 - Reducing child poverty and improving all kids' chances at a better future.
 - Helping Ontarians secure employment and rebound from unemployment.
 - **Ending homelessness, likely including:**
 - **More supportive housing**
 - **More social service or mental health supports for chronically homeless people**
 - **Higher financial support for disadvantaged groups (who almost always rent)**



Other municipal and provincial programs

- Ontario has required municipalities to create 10 Year Housing and Homelessness Plans
 - Vancouver has such a plan
 - Many provinces have such a plan
- Provinces and cities are encouraging market rental development, as well as “affordable housing”
 - Vancouver Rental 100
 - Saskatchewan subsidizes new market rentals
 - Saskatoon subsidized new market rentals



National Housing Strategy – Fall 2016

- Summer – soliciting feedback from the public at LetsTalkHousing.ca
- Sept – expert and national roundtable discussions
- Oct 21 – deadline for public to submit feedback
- Nov 22 – National Housing Day
 - Release of results from consultations
 - (not the full Housing Strategy)
- Approx. March 2017 - Budget 2017



National Housing Strategy

- In the current public consultation at LetsTalkHousing.ca, participants are asked
 - to rank the importance of the many themes of an NHS
 - to rank the importance of the many outcomes of an NHS
 - to provide a demographic profile
- Answers can refer to the importance of the private rental sector, but participants have to work at that



Subsidies for average rent units

- In most markets, units with rents of 130% or 150%+ of average market rent (AMR) are being developed
- Social housing seeks rents of 80% of AMR, with subsidies of \$120K or \$150K per door
- Subsidies of much less (say \$30K per door) could probably incent units at 120% of AMR
 - At that subsidy rate, 4 or 5 units could be built for the subsidy cost of one unit at 80% of AMR



Portable Housing Allowances – an effective, beneficial program

- Portable housing allowances are payments made directly to low-income tenants to help them pay their rent
- For tenants, portable housing allowances
 - avoid the stigma often associated with public housing
 - afford a wide choice of places to live
 - allow recipients to keep their housing assistance when they move to take a new job (which is good for them and the economy)
 - can enable recipients to get housing assistance quickly when they need it



Portable Housing Allowances

- **For landlords, portable housing allowances**
 - help tenants pay their rent in full and on time
 - leave landlords with their choice of tenants
 - avoid administrative burden
 - reduce the arguments for tighter rent control
- **A broad program of portable housing allowances would increase the demand for rental housing, especially at low or moderate rent ranges**



Portable Housing Allowances

- **For taxpayers, portable housing allowances have many advantages**
 - allow the available funding to be spread more equitably among more low-income tenants
 - achieve income mixing without the cost of subsidizing middle income tenants
 - can be administered at very low cost
 - can be cut back easily and cheaply as soon as the tenant no longer needs as much support
 - use the existing economical housing stock, rather than newly built (and therefore expensive) housing
 - cost less money to help more people.



Funding programs for affordable units

- In Ontario, the Federal and Ontario housing money is passed out through the cities
 - sometimes with provincial matching and
 - sometimes under separate programs
- Other provinces deal with housing providers directly
- There is increased interest in funding affordable units within a larger market-rent project



Interplay with inclusionary zoning

- Even without inclusionary zoning, Toronto had a replacement unit policy that required developers to replace affordable units within new rental complexes (or condo projects)
- The new inclusionary zoning program will expand that to more cities in Ontario
- What comes to one province often migrates to other provinces



Possible interplay with inclusionary zoning

- To make it work, an inclusionary zoning program now needs to include
 - Density bonusing
 - Fee relief
- An alternative for a developer MAY BE to seek affordable housing funding to pay for the revenue lost due to the affordable units
- The senior governments and municipalities MAY BE willing to direct affordable housing money into modest rent units in developments which are required to include affordable units



About CFAA

- CFAA is a federation of 11 provincial and regional apartment associations, and residential landlords from across Canada, who own or manage almost 1 million rental units
- CFAA is the sole national voice exclusively for Canada's \$480 billion private rental housing industry, which provides homes to more than 9 million Canadians
- CFAA produces the CFAA-Accompass Rental Housing Employee Compensation & Benefits Survey
- CFAA holds a 2 day Rental Housing Conference each year, covering investment and operational issues
 - Next from June 7 to 8, 2017, at Toronto
 - Building innovation tour on Tuesday, June 6
 - Awards Dinner on Wednesday, June 7



About CFAA

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