



National Housing Collaborative
Collectif pancanadien pour le logement

**National Housing Collaborative
Halifax Sounding – June 2, 2016
Hosted by United Way Halifax**

Attended by:

Kasia Tota, Community Developer, Planning & Development, Halifax

Mary Kenny, Project Manager, Housing and Homelessness, Unity Way Halifax

Stephen Richard, Director of Community Relations and Public Affairs, Housing Nova Scotia

William Buckland, Regional Director, Seaton Foundation and Administrator, Nova Scotia & PEI CHRA

Miia Suokonautio, Executive Director, YWCA Halifax

Key Messages:

- Income support would enable the majority of social housing residents to access private market
- Municipalities and provinces welcome federal partnership, but have varying capacity to respond to federal re-engagement
- A broader range of private and public actors must be encouraged to provide affordable housing
- Greater authority, flexibility and creativity is needed from federal agencies to contribute to housing solutions

Summary:

First, the group discussed the role and work of the NHC. All agreed that the commitment to a national housing strategy presents a rare opportunity to improve housing outcomes for Canadians. As one participant put it, “when the pendulum swings you’ve got to be ready.” Most of those around the table are members of a Halifax Regional Municipality workgroup grappling with many of the same issues. They lauded the federal government for looking to partner with other orders of government to improve outcomes.

The group observed that the Halifax area has a four per cent vacancy rate. Given general availability of housing, the group identified three barriers preventing people from accessing the housing they need:

1. Stock is too expensive or people are too poor
2. Individual barriers such as mental health and addictions prevent people from remaining successfully housed



3. Some feature of the available stock makes it unattainable, such as:
neighbourhood, transit accessibility, unit size, physical accessibility, etc.

The group agreed that all providers have a role to play in affordability. One participant suggested that both the not-for-profit and private sector should adopt a 'portfolio approach' to their stock and services, offering a range of services and stock to balance organizational sustainability with affordability needs. The group cited inclusionary zoning and rent supplement programs as good tools to achieve mixed model communities, and further suggested community land trust models and shared equity models as potentially scalable ideas.

Any provider offering under market housing will by definition be operating at a loss. The group understood conversations about how to offer under market housing as a philosophical question: who should bear that loss? Participants agreed that as a society, we have not resolved that question.

The group discussed the use of public funds in housing. There was general agreement that assets purchased with public funds should remain in the public trust, both out of respect for public dollars and as a mechanism to maintain affordability. As one participant said, "for me, non profit is the only durable way to protect affordable housing." Another suggested that some solutions, such as rent supplements, should be pursued even though public dollars will flow to private landlords. One participant argued that only a small portion of those in social housing could not succeed in the private market, emphasizing the need to "get the affordability solved and just get people housed." The group noted that many social housing providers are stretched thin by the demand requiring affordability but few services. Freeing up this population to the private market would allow social housing providers to focus on "wrapping services around those who really need it".

The group discussed other challenges facing social and not-for-profit housing. They highlighted the need to improve capability among non-profits to meet current opportunities. As one participant put it, "the will is there, but not always the capacity." The group identified governance and property development as particular skillsets that would strengthen the sector. One participant offered that by minding a long-term portfolio of services and stock, the sector could improve sustainability by diversifying. Another cautioned that this approach would require general recognition that not-for-profits retain their more valuable assets and services. Many in the group envisioned a greater role for the private market in affordable housing, as well as a greater ability for social housing providers to charge market rent.



The group also noted that not-for-profit housing providers have an obligation to make the tough decisions to maintain their own viability. One participant observed that some co-operative boards have struggled with raising rents among neighbours, but their good intentions hurt the coop in the long run. “They have an obligation to make the tough decisions any private landlord would make.” The group agreed a social housing broker like the kind used by other cities would help alleviate this challenge in Halifax.

There was consensus that some amount of government support will be required in the housing system. They stressed that when there is government support the commitment needs to be long-term. One participant mentioned a recent Killam development, observing that a good public-private partnership created affordable units with the use of rent supplements. However, those supplements were not designed to increase over time, making the units increasingly unaffordable. This was a lesson that any benefits or incentives in housing must be designed with durability in mind. The group suggested that government should view housing expenditure similarly to health or infrastructure – consistent investment is required to sustain a healthy system for all Canadians.

The conversation then turned to specific challenges facing Halifax and Nova Scotia. The group raised redevelopment and preservation as a priority, noting the aging population requires retrofits or downsizing options to stay safe at home. They observed that most people own their home, and the group discussed the potential for programs to help older people convert larger homes into duplexes with rental units. The group agreed a simple, supportive process would be necessary to encourage update of such a program.

Recognizing energy efficiency as a key component of affordability was also a priority for the group. Housing Nova Scotia had recently completed its first passive house. An additional build cost of less than ten per cent resulted in hundreds of dollars of savings in utility costs each year. The group stressed that improving environmental efficiency is not only necessary to combat climate change, but is also a contributor to affordability.

Finally, the group discussed the opportunity presented by the reengagement of the federal government in housing. Participants agreed the current conversation should focus on setting new conditions for actors in the housing system. They stressed the need to shift away from considering just bricks and mortar, and take a broader view that encompasses outcomes such as health, service delivery or partnerships. As one participant put it, “we provide the roof but we also have a responsibility to the human being who will be under it.” The group was keen to establish metrics that take into account more holistic outcomes.



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The group offered a number of suggestions, including: for funds collected by CMHC to remain in the housing system, and for the agency adapt its policy of requiring full market value for their lands under certain conditions; for Canada Lands to receive an affordable housing mandate to assemble land for that purpose; expanding HST exemptions for certain kinds of construction; limiting the programs requiring matching funds from provinces, which was identified as a major challenge for poorer provinces. The group also saw a need for sustained funding for repair and adaptation, but emphasized that such programs differentiate between urban and rural communities, citing considerable cost differences between the two.

Participants also suggested a new working culture is as important as government funding. They welcomed the possibility for CMHC to play a bigger, expanded role, but emphasized the need for greater flexibility, nimbleness, and support for entrepreneurship. They saw opportunity for the federal government and its agencies to be less risk-averse and rule-bound to support pilot projects and experimentation. As one participant concluded “we cannot be afraid of a range of solutions. We can handle complexity.”